# City of Raleigh, North Carolina Housing Market Analysis and Housing Needs Assessment

## Final Report

Prepared for

City of Raleigh, North Carolina
Community Development Department

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Bay Area Economics
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# Table of Contents

# List of Figures and Tables

## List of Figures and Tables (continued)

*Appendix B* – Maps of Minority Concentrations
Map of Triangle Area Submarket
2002 & 2030 Wake County Growth Maps

# Executive Summary

Raleigh and the Research Triangle area have grown rapidly in the last decade with businesses and residents attracted by the region's high-tech economy and business climate. From 1994 to 2003, Wake County employment grew by one-third, adding 94,000 jobs. The economy has largely recovered from the "dot-com crash" early in the decade. Raleigh added 105,507 new residents and 41,654 new households from 1990 to 2004, attracting two of every five new households in Wake County.

Raleigh's residents increased their median household income from $47,152 in 2000 to $51,220 in 2004. However, not all residents have participated equally in the region's economic expansion. The city and the region have significant numbers of low- and moderate-income households with incomes well below the region's median.

HUD defines three categories of low-income households adjusted for household size:

- Extremely-low-income households with incomes equal to 30 percent or less of the Area Median Family Income (AMI) (up to $21,400 for a family of four);
- Very-low-income households with incomes of 31 to 50 percent of AMI (between $21,401 and $35,650 for a family of four); and
- Low-income households with incomes of 51 to 80 percent of AMI (between $35,651 to $57,050 for a family of four).

Forty-one percent or 45,900 of Raleigh households fall into these income categories with 11 percent making less than 30 percent of AMI. Of these households, 71 percent are renters.

***Renter Households***

With the region's expanding economy, housing prices and rents have increased significantly, creating strains on family budgets. Based on Fair Market Rents (FMR) established by the U.S. Department of Housing and Urban Development (HUD), the Raleigh area has the highest rents in North Carolina as follows:

- Efficiency/Studio $574 per month
- One-Bedroom Unit $701
- Two-Bedroom Unit $779
- Three-Bedroom Unit $995
- Four-Bedroom Unit $1,076

Though high, these rents are actually moderated somewhat by the prevailing high vacancy rate of 8.0 percent of Wake County apartments as of September 2004.

Based on local incomes and current mortgage interest rates, a three-person extremely-low-income household could afford to spend no more than $482 per month for rent and utilities or for mortgage principal, interest, taxes and insurance. This reflects HUD's affordability standard of spending no more than 30 percent of household income for gross housing costs. The FMR for a two-bedroom unit is 62 percent higher than the maximum affordable gross rent; the three-bedroom unit's FMR more than double the affordable rent.

| Gap Between Market and Affordable Rents and Prices | | | |
|---|---|---|---|
| | Extremely-Low-Income Households | Very-Low-Income Households | Low-Income Households |
| Maximum Income | $19,260 | $32,100 | $51,360 |
| Maximum Gross Rent | $482 | $803 | $1,284 |
| Maximum Housing Price* | $65,061 | $108,491 | $173,551 |
| Fair Market Rent | | | |
| Two Bedrooms | $779 | $779 | $779 |
| Three Bedrooms | $995 | $995 | $995 |
| Median Sale Price | | | |
| Three Bedrooms | $166,000 | $166,000 | $166,000 |
| FMR as Percent of Maximum Affordable Rent | | | |
| Two Bedrooms | 162% | 97% | 61% |
| Three Bedrooms | 206% | 124% | 77% |
| Median Sale Price as Percent of Maximum Affordable Price | 255% | 153% | 96% |

*Assumes a 10-percent downpayment, a 6.5-percent mortgage interest rate and a 0.25-percent mortgage insurance premium.

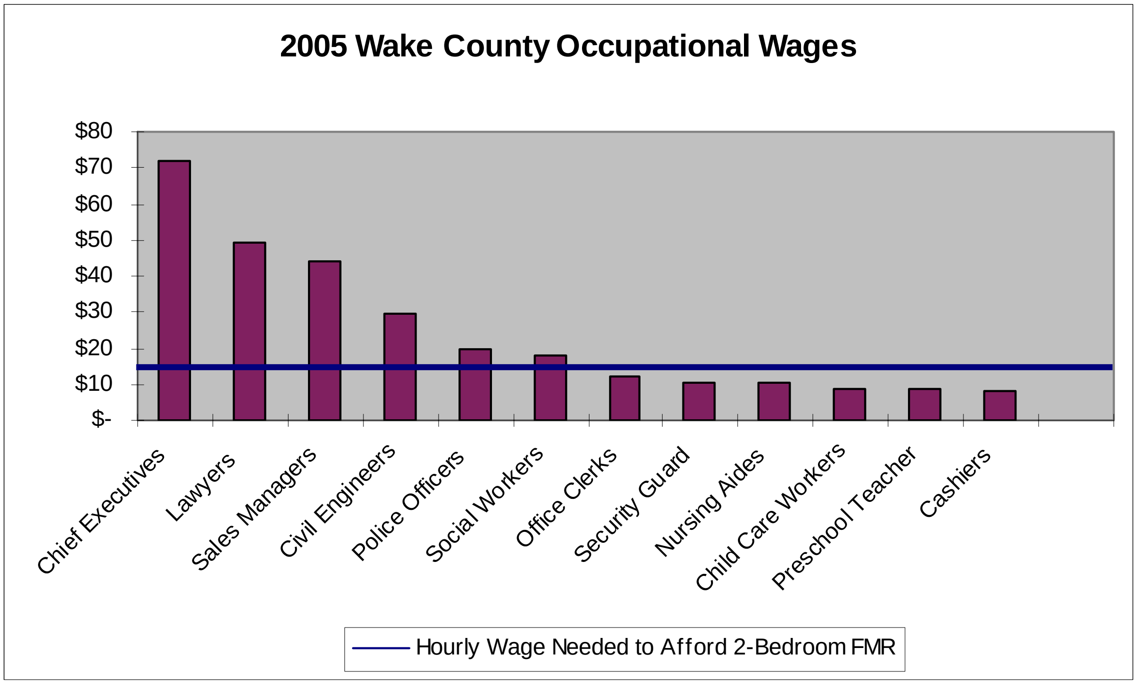
The National Low Income Housing Coalition (NLIHC) provides another way of understanding the affordability gap – the wage a single-earner household would need to earn to pay for the average unit (assumed at HUD's Fair Market Rent). NLIHC reports that a worker would need to earn $14.98 per hour to afford a two-bedroom unit while working 40 hours per week. A worker making minimum wage would need to work 116 hours per week to afford the two-bedroom FMR. Many low-income residents work more than one job and much more than 40 hours per week, but frequently the gap between market and affordable rents requires such households to spend more than 30 percent of their incomes on rent.

**Hourly Wage vs. Work Hours Required to Afford Rental Housing**

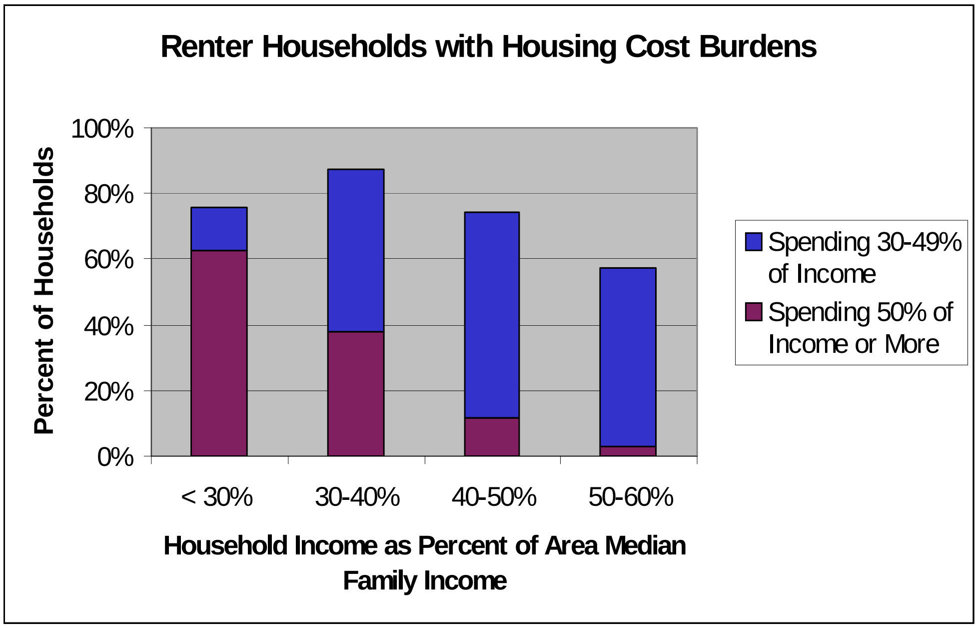
| Unit Type | Hourly Wage[1] | Work Hours[2] |
|---|---|---|
| Efficiency FMR | $11.04 | 86 |
| 1 Bedroom FMR | $13.48 | 105 |
| **2 Bedroom FMR** | **$14.98** | **116** |
| 3 Bedroom FMR | $19.13 | 149 |
| 4 Bedroom FMR | $20.69 | 161 |

Note: [1]Hourly wage required to afford each unit type of housing
[2]Hours per week necessary at minimum wage to afford each size of housing unit

Occupations paying less than $14.98 per hour include office clerks, security guards, nursing aides, child care workers and cashiers.

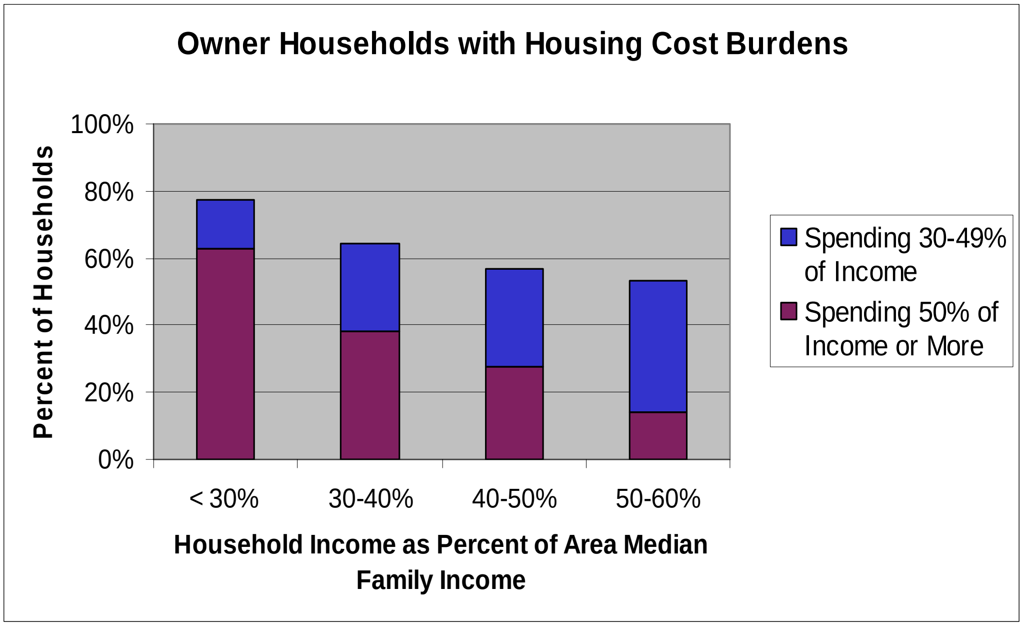



The disparities between affordable rents and market rents explain the pattern of housing cost burdens experienced by Raleigh renter households. Among extremely-low-income households (up to 30 percent of AMI), more than three of five pay more than one-half of their income for housing. Considering both extremely-low- and very-low-income (30 to 50 percent of AMI), 77 percent have a cost burden, that is, they pay more than 30 percent of their income for housing.




***Owner Households***
In recent years, historically low mortgage interest rates have contributed to significant price increases. In 2004, the median owner-occupied housing unit sold for $166,000 in Raleigh. The median sale price for a three-bedroom house is substantially more than double the household's maximum affordable price. For very-low-income families with incomes between 30 and 50 percent of AMI, market prices are still more than 50 percent higher than the maximum affordable sales price.

As of 2000, Raleigh had 13,075 homeowners with incomes below 80 percent of AMI – 23 percent of all homeowners. These homeowners experience similar cost burdens to those borne by renters. More than 60 percent of extremely-low-income homeowners pay more than one-half of their income for housing – a "severe cost burden." More than three-quarters of extremely-low- and very-low-income households have a cost burden, spending more than 30 percent of their income for housing.




***Special Needs Populations***
Beyond the general need for affordable housing, some populations have special needs for specialized housing and/or supportive services, focused on five groups:

- Elderly
- Frail elderly
- Persons with physical disabilities
- Persons with mental disabilities
- Persons with HIV/AIDS

The City's and County's supply of assisted housing addresses these needs but falls short, leaving significant unmet needs as follows:

| | **Required Units/Beds** |
|---|---|
| Elderly | 3,875 |
| Frail Elderly | 296 |
| Persons with Physical Disabilities | 454 |
| Persons with Severe Mental Illness | 123 |
| Persons with Developmental Disabilities | 40 |
| Persons with Substance Abuse Problems | 1,321 |
| Persons with HIV/AIDS | 147 |

***Housing Program Recommendations***
Based on review of the City's current housing programs in light of the market findings, TDA, Inc. and Bay Area Economics make the following recommendations:

- Consider additional housing resources to supplement Federal funding.
- Emphasize rehabilitation of rental units rather than new construction given high vacancy rates.
- Target renter households below 50 percent of area median income (AMI).
- Encourage mixed-income development.
- Consider forgivable second mortgages for first-time homebuyers with incomes between 50 and 60 percent of AMI.

***Redevelopment Areas***
Bay Area Economics' review of Raleigh's redevelopment area activity leads to eight key recommendations for future program planning:

- Concentrate resources geographically to transform an entire block at a time; consider focusing on one or two redevelopment areas at a time for maximum impact.
- Focus where the private sector will not and withdraw from property acquisition once the market in an area reaches the point where private developers are willing to invest.
- Mix incomes by providing both affordable and market-rate units so as to create a more sustainable neighborhood. Encourage development of move-up homes to keep families in the neighborhood as their incomes rise.
- Mix unit types and sizes without limiting redevelopment options to single-family detached housing.
- Mix residential and non-residential uses to provide a more vibrant community.
- Seek additional funding resources to supplement Community Development Block Grant (CDBG) funds. CDBG funding is limited and it inhibits the City's ability to achieve a mix of incomes and uses.
- Concentrate on homeownership opportunities to achieve a better balance between renter and owner-occupied housing in redevelopment areas.
- Continue to pursue partnerships with area institutions.

# I. Housing Demand

***General Economic Conditions***

Employment conditions are key indicators for housing demand. Employment is integral to where people reside, what people can afford, and what people are willing and able to pay. Thus, such factors strongly influence residential market forces. This section examines employment trends for the city of Raleigh, Wake County, and the Raleigh-Durham-Chapel Hill Metropolitan Statistical Area (MSA). Specifically, it explores regional employment by sector since the mid-1990s, unemployment trends over the past several years, and journey to work patterns.

*Employment Sectors.*

Table A-1 in the Appendix presents information on non-farm employment by place of work for Wake County over the past 10 years. Many industries experienced tremendous growth from 1994 through 2001. Among the top-growing industries, Information and Construction and Mining increased by 75.9 percent each, followed by Education, Health and Social Services and Services at 52.1 percent and 42.9 percent, respectively. Despite the great growth in Information and Construction and Mining, both industries remain minor employment sectors in terms of labor force numbers. For Raleigh specifically, as part of the Research Triangle, employment has always been strong in the Education, Health, and Social Services sector due to numerous universities and institutions that have consistently produced cutting-edge research in the sciences and technology. Recent booms in biotechnology and information technology (IT) have also fostered a competitive business climate in the Research Triangle area. Additionally, the area has offered significant cost savings over other major IT centers and cities in terms of facility costs, taxes, utilities, and labor costs among others.[1] Regarding other industries, Manufacturing experienced great fluctuation in employment through 2001. Note that North Carolina suffered a statewide decline in this sector throughout the 1990s.

With the nation-wide economic downturn at the end of 2001, Wake County as a whole suffered a loss of employment at 2.1 percent through 2003. Among the top-growing industries, only Education, Health, and Social Services experienced growth between 2001 and 2003 at 5.3 percent. Already vulnerable to large plant closings and permanent layoffs, Manufacturing and Transportation and Public Utilities endured the most significant losses in recent years at 17.8 and 17.6 percent, respectively.

Table A-2 shows resident-based employment in 2000 by occupation and industry for Raleigh, Wake County, and the Raleigh-Durham-Chapel Hill MSA. Primary occupations included management, professional, and related occupations at approximately 45 percent of the labor force, while about 26 percent worked in sales and office occupations. This paralleled the top two industries of the region in 2000 – Education, Health, and Social Services and Professional, Scientific, and Management – and is indicative of a highly skilled and educated workforce. Top employers for the county as of 3rd quarter 2003 included:

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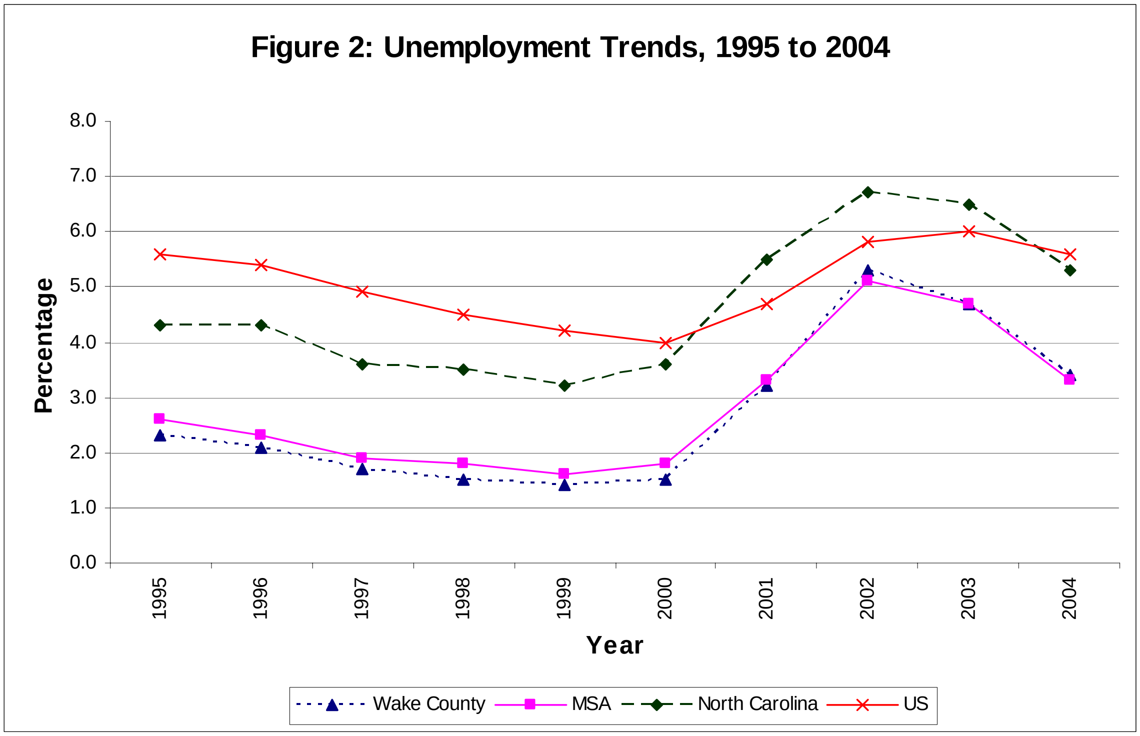
[1] "Research Triangle Advantages." Wake County Economic Development: Information Technology - Resources. <http://www.raleigh-wake.org/it_resources.html>

| Figure1: Ten Largest Employers in Wake County as of 3rd Quarter 2003 | | |
|---|---|---|
| **Name** | **Industry Description** | **Employment Range** |
| Powersolve, Inc | Professional and Business Services | 1,000 & Over |
| SAS Institute, Inc. | Information | 1,000 & Over |
| Rex Healthcare | Education and Health Services | 1,000 & Over |
| Wal-Mart Associates, Inc. | Trade, Transportation, & Utilities | 1,000 & Over |
| International Business Machines | Manufacturing | 1,000 & Over |
| Food Lion, LLC | Trade, Transportation, and Utilities | 1,000 & Over |
| Carolina Power & Light Co. | Professional & Business Services | 1,000 & Over |
| O'Charley's, Inc. | Leisure & Hospitality | 1,000 & Over |
| WorldCom Payroll Services, LLC | Information | 1,000 & Over |
| Maxim Healthcare Services, Inc. | Professional & Business Services | 1,000 & Over |

Source: North Carolina Employment Security Commission; Bay Area Economics, 2005.

*Civilian Labor Force and Residential Employment.*
Table A-3 displays the trends in the civilian labor force and resident employment from 1995 to 2004. The civilian labor force includes all residents working or looking for work. According to the 2004-2005 Raleigh-Durham Regional Data Book, the available labor force in the area is wider in scope than most cities due to the unique characteristics of its economy that attract students (new entrants), in-migrants, and in-commuters among others. For Wake County and the Raleigh-Durham-Chapel Hill MSA[2], the number of employed residents grew steadily from 1995 to 2004. Since 2001, total resident employment has grown 3.9 percent in the county compared to 3.6 percent in the MSA. The area has experienced a very stable employment base because of its strong educational, medical, and government employment centers. Both the county and MSA have enjoyed very healthy unemployment rates since 1995, consistently remaining under 3 percent until the start of the recession in 2001. Area unemployment has stayed below the state and national rates every year since 1995.

[2] *Labor Climate and Labor Force*. 2004 -2005 Raleigh-Durham Regional Data Book, page 46 <http://www.raleigh-wake.org/04.05databook/04.05databook.work.pdf>




*Year 2004 represents unemployment rates through November.
Source: Employment Security Commission of North Carolina; Bay Area Economics, 2005

***Journey to Work***

Table A-4 provides information on Journey to Work patterns for Raleigh, Wake County, and the Raleigh-Durham-Chapel Hill MSA. Data for these areas revealed that one-third of the area's labor force commutes between 15 and 24 minutes to work daily, indicating that most area workers can afford to live relatively close to their jobs. Three-quarters of Raleigh's residents commuted less than 30 minutes to work compared with two out of every three persons in both the county and MSA. The Raleigh-Durham region is recognized as a "community of communities", consisting of four mid-sized cities, 20 smaller cities and towns, and a number of rural communities. Without a dominant central city, individual communities enjoy the benefits of a major metropolitan region[3], but remain self-sustaining with residents not traveling far to work.

***Population and Household Trends***

Tables A-5 thru A-11 indicate population and household trends for the Raleigh area. Data for these tables were derived primarily from the 1990 and 2000 U.S. Census. A national data provider, Claritas, Inc., supplied estimates for 2004 and projections for 2009.

[3] *Regional Community*. 2004-2005 Raleigh Durham Regional Data Book, page 41 <http://www.raleigh-wake.org/04.05databook/04.05databook.demo.pdf>

*Population Trends*
The region as a whole underwent considerable growth in population between 1990 and 2000, outpacing every other North Carolina MSA[4]. Hosting a population of 276,093 inhabitants in 2000, Raleigh experienced an average annual growth rate of 2.9 percent over the 10-year span. The county and MSA rates were even higher at 4.0 and 4.9 percent, respectively. When comparing the region's growth to the state and nation, which had much lower annual growth rates of 1.8 and 1.3 percent respectively, the widespread appeal of the Raleigh area to live and work becomes apparent. **However, much of the population growth occurred in areas outside of Raleigh city limits. Excluding Raleigh, Wake County's annual population growth increased by 5.0 percent annually, indicating extensive rural and suburban growth patterns over the10-year period.** Furthermore, the Raleigh-Durham-Chapel Hill MSA, not including Wake County, experienced population growth of 6.0 percent annually. While Durham and Orange Counties accounted for much of the remaining growth, other MSA counties had high growth rates, signifying dispersion of population throughout the region.

**Figure 3: Population, 1990 & 2000**

| Year | Raleigh | Wake County (not including Raleigh) | Wake County (including Raleigh) | Raleigh MSA (not including Wake County) | Raleigh MSA (including Wake County) |
|---|---|---|---|---|---|
| 1990 | 207,651 | 215,429 | 423,380 | 312,100 | 735,480 |
| 2000 | 276,093 | 351,753 | 627,846 | 560,095 | 1,187,941 |
| 10-Year Annual Growth | 2.9% | 5.0% | 4.0% | 6.0% | 4.9% |

Source: US Census 1990 & 2000; Bay Area Economics, 2005

*Latino Population*
North Carolina has one of the fastest growing Latino populations in the entire nation. Unfortunately, due to the high number of undocumented immigrants, the US Census Bureau has largely underreported this growth. Recent efforts, however, have been made by the FaithAction International House to provide more accurate information on current Latino population counts. Table A-6 provides an estimate of each jurisdiction's Latino population in recent years that reflects birth rate and school enrollment data. **The Triangle area has the second highest concentration of Latinos in the state next to the Charlotte metropolitan region.** While this population constitutes a very small percentage of the area's total population, it shows evidence of continual growth in the next few years.

*Foreign-Born Population*
**Consistent with the state, the region saw its foreign-born population more than double in number throughout the 1990s.** Much of the growth occurred in the latter half of the decade (1995 to 2000). The region is attractive to foreigners in pursuit of education and employment in the United States. As stated previously, it offers a multitude of post-educational opportunities in

[4] *Population Growth Trends*. 2004-2005 Raleigh Durham Regional Data Book, page 38 <http://www.raleigh-wake.org/04.05databook/04.05databook.demo.pdf>

research, medicine, technology, the public sector, and secondary education that entice transients to remain in the area. As foreign-born persons continue to migrate into the region, the City and surrounding jurisdictions need to consider and accommodate the needs of such a diverse population.

**Figure 4: Foreign-Born Population, 1990 & 2000**

| Year | Raleigh | Wake County | North Carolina | United States |
|---|---|---|---|---|
| 1980 | 3,938 | 9,497 | 75,202 | 9,464,851 |
| 1990 | 10,008 | 21,608 | 161,643 | 17,929,613 |
| 1995 | 16,250 | 32,872 | 244,097 | 23,525,948 |
| 2000 | 32,410 | 60,602 | 430,000 | 31,107,889 |
| 10 Year Growth | 224% | 181% | 166% | 74% |

Source: US Census 1990 & 2000; Bay Area Economics, 2005

*Households*

The number of households in the Raleigh grew from 85,822 in 1990 to 112,608 in 2000 (an average annual growth rate of 2.8 percent). This average annual growth rate was comparable to the state at 2.4 percent and considerably greater than the nation at 1.4 percent for the same period. As with population, Wake County and the Raleigh-Durham-Chapel Hill MSA both experienced faster growth than the city at 3.9 percent and 4.8 percent, respectively. According to the 2003 Wake County Affordability Task Force Report[5], the great residential growth in the county is largely due to the abundance of residentially zoned and approved land for residential uses. Reputable schools and neighborhoods along with the great proximity to Research Triangle Park also attract families with children.

**Figure 5: Households, 1990 & 2000**

| Year | Raleigh | Wake County (not including Raleigh) | Wake County (including Raleigh) | Raleigh MSA (not including Wake County) | Raleigh MSA (including Wake County) |
|---|---|---|---|---|---|
| 1990 | 85,822 | 79,921 | 165,743 | 121,094 | 287,647 |
| 2000 | 112,608 | 129,432 | 242,040 | 219,057 | 461,097 |
| 10-Year Annual Growth | 2.8% | 4.9% | 3.9% | 6.0% | 4.8% |

Source: US Census, 1990 & 2000; Bay Area Economics, 2005

*Projections*

Table A-5 also gives population and household projections for years 2004 and 2009 with average annual growth rates from 2000 to 2009. According to Claritas, regarding both population and households, the average annual growth expected between 2000 and 2009 is consistent with the past decade for Raleigh. However, the City of Raleigh's Planning Department reports a January

[5] Wake County Housing Affordability Task Force Report, March 2003, page 7

2005 population estimate of 335,512 persons, a 4.1-percent increase from last year.[6] **Since January 2002, Raleigh's population has been increasing annually at approximately 4 percent, exceeding the pace of the previous decade. The city's perimeter, especially North and Northeastern Raleigh, has seen most of the recent population growth due to land available for development and an increase in multi-family development.**[7] Household growth is certain to mimic this trend. The county and MSA are projected to experience less population and household growth through 2009 than in the previous decade. As seen with Raleigh, however, actual annual growth for the county and MSA will likely be more than estimated, as the land supply within the Raleigh's perimeter becomes absorbed.

**Figure 6: Population Projections, 2004 & 2009**

| Year | Raleigh | Wake County (not including Raleigh) | Wake County (including Raleigh) | Raleigh MSA (not including Wake County) | Raleigh MSA (including Wake County) |
|---|---|---|---|---|---|
| 2004 | 313,458 | 392,030 | 705,488 | 612,008 | 1,317,496 |
| 2009 | 359,491 | 441,690 | 801,181 | 675,751 | 1,476,932 |
| 10-Year Annual Growth | 3.0% | 2.6% | 2.7% | 2.1% | 2.4% |

Source: Claritas, Inc.; Bay Area Economics, 2005

**Figure 7: Household Projections, 2004 & 2009**

| Year | Raleigh | Wake County (not including Raleigh) | Wake County (including Raleigh) | Raleigh MSA (not including Wake County) | Raleigh MSA (including Wake County) |
|---|---|---|---|---|---|
| 2004 | 127,476 | 143,681 | 271,157 | 239,322 | 510,479 |
| 2009 | 145,542 | 161,145 | 306,687 | 264,166 | 570,853 |
| 10-Year Annual Growth | 2.9% | 2.5% | 2.7% | 2.1% | 2.4% |

Source: Claritas, Inc.; Bay Area Economics, 2005

*Average Household Size*

The average household size for the city was 2.30 persons in 2000, a slight increase from 2.26 in 1990. Wake County and Raleigh-Durham-Chapel Hill MSA also slightly increased in average household size from 2.46 and 2.44 in 1990 to 2.51 and 2.48 in 2000, respectively. This trend contrasts with the drop in average household size experienced by the state and nation during the same time period. Average household size for the state and nation in 2000 was respectively 2.49 and 2.59 persons, down from 2.54 and 2.63 in 1990. **Since the percentage of families has remained relatively flat over the 10-year span, the slight increase in average household size for Raleigh specifically is more attributable to new households consisting of students or**

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[6] Raleigh Population Estimate January 2005 <http://www.raleighnc.gov/portal/server.pt/gateway/PTARGS_0_2_13966_0_0_18/Population_Estimate_January_2005.pdf>

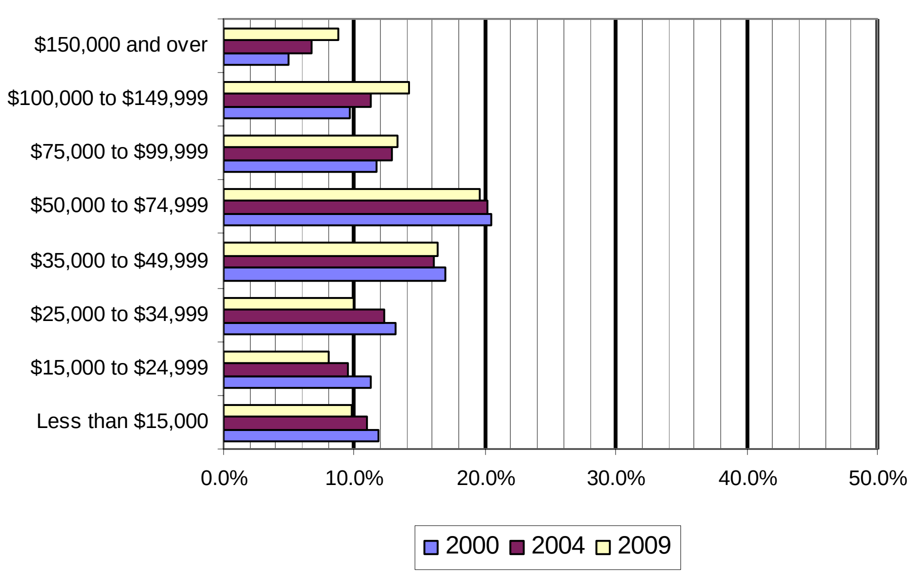
[7] Ibid

**graduates, who live together to cut living expenses.** As for Wake County and the Raleigh-Durham-Chapel Hill MSA, the increase in household size is primarily indicative of new families with one or two children.

*Household Income Distribution*

The region collectively shows the greatest number of households made between $35,000 and $74,999 for both 2000 and 2004 (Table A-7). Noticeable changes between these years for the region reveal a small percentage shift in favor of those making at or above $75,000. Raleigh and the MSA had the greatest percentages of those making less than $15,000 for 2000 at 11.8 and 12.5 percent, respectively. This percentage falls slightly in 2004 with inflation. Percentages of those making less than $15,000 in the MSA are likely higher due to its encompassment of lower-income rural communities and a higher-than-average presence of university students.

**Figure 8: Household Income Distribution for Raleigh, North Carolina**




Source: US Census, 2000; Claritas, Bay Area Economics, 2005

*Median Household Income*

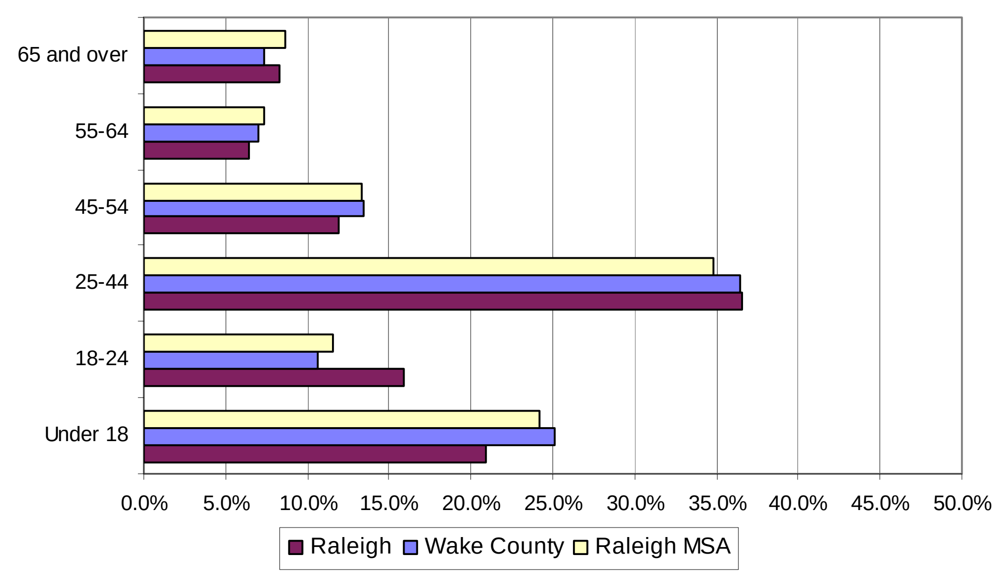
Raleigh had a median household income of $47,152 in 1999 and $51,220 in 2004, an 8.6-percent increase. **However, the growth in median household income for the city did not keep pace with inflation**. Discounting for inflation, Raleigh's median household actually remained relatively flat from 1999 to 2004, as did those of both the county and MSA. For both years, Wake County had the highest median household income at $56,003 and $62,296, respectively. Raleigh had the lowest median household income of the entire region for both years, at roughly 80 percent of the county's median household income. The county's higher median income parallels the suburban preferences of higher income families and is consistent with recent growth trends in population and households. State and national data for 1999 reveal lower median household incomes than those in the Raleigh region at $39,184 and $41,994, respectively.

*Age Distribution*

Table A-8 gives the age distribution for Raleigh, Wake County, and Raleigh-Durham MSA. The largest proportion of residents for all areas in 2000 was between 25 to 44 years of age, followed by those under 24 years of age. This is similar to age characteristics in 1990. The area's youthful population reflects the presence of the region's major drivers – renowned educational and medical institutions – that attract students and subsequently provide enough opportunities for them to live and work in the area upon completion of their course work. The median age of approximately 32 years for all areas further alludes to the Raleigh area's primary workforce consisting of young professionals settling into employment and beginning families.

Examining average annual change from 1990 to 2000, those 45 to 54 years of age experienced much growth over the 10-year period at 5.8, 6.7, and 8.1 percent, respectively, for Raleigh, Wake County, and Raleigh-Durham-Chapel Hill MSA. Those 55 years of age and older grew dramatically as well, however mostly in the county and MSA. Hence, a large portion of population growth over this decade consisted of empty nesters in or near retirement. These trends reflect the aging of the baby boom generation. In addition, those under 18 years of age saw a noticeable spurt in population, again reflecting the area's attractiveness to young families.

**Figure 9: Age Distribution of Raleigh Area, 2000**




Source: US Census, 2000; Bay Area Economics, 2005

*Household Type*

The percentage of family households remained relatively flat for all areas from 1990 to 2000 (Table A-5). This is attributable to the consistent migration of both families and non-families (students, graduates, single-persons, etc.) into a region encompassing various opportunities for a diverse population.

Table A-9 shows one-third of households in Raleigh as single-person households in 2000, compared to one-quarter of households in the county and MSA. Table A-10 shows all households by size in 2000. One-third of households for all areas consisted of two persons. Households with three or four persons (primarily families with one or two children) constituted over one-quarter of Raleigh households and almost one-third of county and MSA households. Hence, the proportion of single persons, couples or roommates, and small families was roughly similar. Although small in comparison, the area did host a significant number of households with five or more persons at 7.1 percent for Raleigh, 8.7 percent for Wake County, and 8.4 percent for the Raleigh-Durham-Chapel Hill MSA.

*Household Tenure*

Homeownership in the Raleigh area increased by approximately five percentage points from 1990 to 2000 (Table A-5). Both the state and nation reflected only slight increases in homeownership during the same period. The trend suggests that much of the recent in-migration consisted of those with incomes high enough to purchase homes. Raleigh presented a more equal ratio of owners and renters than the county and MSA, reflecting the varied housing opportunities and characteristics found in an urban setting. However, the city's households changed from primarily renter-occupied to primarily owner-occupied over the 10-year span.

Regarding income by tenure (Table A-11), more than three-quarters of owner-occupied households for all areas had incomes of $35,000 or above, with nearly one-quarter making between $50,000 and $74,999. This is reflective of the primary regional workforce that consists of young, highly skilled and educated professionals, who are able to purchase homes. As expected, renter households had lower incomes than owners with the majority making between $25,000 and $74,999 for all areas. **This is a relatively high-income bracket for renter households and suggests that some renter households are renting by choice and not due to financial hardship.** For Raleigh, the median household income of owner households is more than double that of renter households comparatively. The same holds true for the county and MSA. Approximately one-fifth of renter households made less than $15,000; however, many of these households are students with little or no income.

***Public Housing Authority Housing Tenants***

Raleigh Housing Authority (RHA) has 1,587 units. Ninety-seven percent of RHA's tenants are of extremely-low-income (30 percent or less of AMI). Approximately 45 percent of public housing tenants are either elderly or disabled. Regarding ethnicity, 96 percent of RHA's population is African-American.

***Section 8 Housing Tenants***

The Section 8 Voucher Program provides rent subsidies for income-eligible families, funded by the US Department of Housing and Urban Development (HUD). Participants in the program pay 30 percent of their adjusted monthly income for housing and the program pays the gap between that and the local Fair Market Rent (FMR) as established by HUD.

The Raleigh Housing Authority (RHA) has a specific allocation of Section 8 vouchers based on need. Approximately 17 percent of current Section 8 tenants are elderly or disabled.

***Public Housing and Section 8 Waiting Lists***

The public housing waiting list includes 2,832 families, of which 99.0 percent are of extremely-low-income (30 percent of the AMI or below). These families consist of 1,576 families with children, 88 elderly, and 707 families including persons with disabilities. The racial composition is as follows: 176 White (non-Hispanic); 2,639 African-Americans; and 17 of other races. The wait for a public housing unit varies by bedroom size. The strongest demand is for two- to three-bedroom units, which generally have an approximate waiting period of one year. An elderly single-person household can be housed in two to three months, while a family needing four to five bedrooms usually waits about six months. A non-elderly single person typically has the longest wait, which could be as long as two or more years.

There are presently 9,582 applicants on the waiting list for Section 8 vouchers. Most are families with children, followed by disabled households. African-Americans and those under 30 percent of AMI composed the largest percentage of the waiting list. Section 8 persons are housed by date and time of application only. It can take four or five years for those on the waiting list to receive vouchers. Given the recent funding cuts of the Section 8 Program, the waiting list will likely lengthen.

**Figure 10: Waiting List Analysis**

| | Public Housing | | Section 8 | |
|---|---|---|---|---|
| | Total Families | Percent of Total Families | Total Families | Percent of Total Families |
| ***Total*** | 2,832 | 100% | 9,582 | 100% |
| Elderly | 88 | 3% | 554 | 6% |
| Families with Children | 1,576 | 56% | 6,610 | 69% |
| Families with Disabilities | 707 | 25% | 1,801 | 19% |
| Singles | 461 | 16% | 617 | 6% |
| ***Race*** | | | | |
| White | 176 | 6% | 705 | 7% |
| African-American | 2,639 | 93% | 8,782 | 92% |
| Hispanic | 0 | 0% | 40 | .004% |
| Other | 17 | .005% | 38 | .004% |
| ***Income Type*** | | | | |
| Extremely Low-Income | 2,795 | 99% | 9,259 | 97% |
| Very Low Income | 37 | 1% | 319 | 3% |
| Low Income | 0 | 0% | 4 | <1% |

Source: Raleigh Housing Authority Plans, 2005 to 2010

***Income Distribution***
In evaluating housing assistance needs, the U.S Department of Housing and Urban Development (HUD) sets income limits and definitions for the low-income population based on an area's median family income (AMI). AMI varies by household size, reflecting the differential costs of feeding, clothing, and housing two versus four or seven family members. Four income categories are shown below with income limits for a family of four persons. AMI for the Raleigh-Durham-Chapel Hill MSA is $69,800.

**Figure 11: HUD Income Limits for Four-Person Household**

| Type of Income | Percent of AMI | Amount |
|---|---|---|
| Extremely Low Income | 0-30% | Under $21,400 |
| Very Low Income | 31-50% | $21,401 - $35,650 |
| Low Income | 51-80% | $35,651 - $57,050 |
| Moderate to Upper Income | Above 80% | $57,051 and above |

*Income Distribution by Age of Householder*
Table A-12 compares income distribution with the age of the householder. For the Raleigh area, persons in their prime earning years (25 to 64 years of age) carried the highest incomes. Incrementally, nearly one-quarter of those 25 to 44 years of age earned between $50,000 to $74,999 for all areas, while the highest percentage (about one-quarter) of those in the 45 to 64 age group made incomes of $100,000 or more. Additionally, the percentage of those 45 to 64 years of age making $50,000 or more outweighed those in the 25 to 44 age group by 8 percentage points for all areas. For the householder 65 years of age and older, the largest single income bracket for all areas was less than $15,000 at 19.8, 20.8, and 12.2 percent for the city, county, and MSA, respectively. As might be expected, the very-low-income bracket for the elderly indicates a significant dependency on Social Security income. However, more than one-third of elderly households have incomes of $50,000 or more.

*Income Levels by Jurisdiction and Tenure*
Table A-13 shows the distribution of households by HUD income category. Approximately 60 percent of all households in Raleigh made more than 80 percent of AMI, with Wake County slightly greater at 65.7 percent. Despite these majorities, one-fifth of Raleigh's owner households made less than 80 percent of the AMI compared to three-fifths of renter households. These figures evidence the need for creative affordable housing solutions that serve this population.

*Income Level by Race and Ethnicity*
Table A-14 offers 2000 data on income distributions by race and ethnicity. Some racial and ethnic groups are disproportionately impacted by lower household incomes. Based on HUD definitions, a group is disproportionately impacted if its representation in a particular category is 10 percentage points or more above the proportion of the overall population found in the same category. In Raleigh, the Hispanic population was disproportionately impacted in the very-low-income group at 21.4 percent, as the percentage of all households stood at 10.5. The same held true for very-low-income Native American (Non-Hispanic) households in Raleigh at 31.4 percent. Low-income Native American (Non-Hispanic) households were also disproportionately impacted at 36.2 percent compared to 19.0 percent of all households. Wake County is similar to the city with Hispanic households (of both extremely-low- and very-low-income)

disproportionately impacted at 17.5 and 18.3 percent, respectively, compared to 8.8 and 8.6 percent of all households. African-American households making less than 30 percent of AMI were also impacted at 17.4 percent as were low-income Native American (non-Hispanic) households. The small numbers of the Native American population, however, tend to make data unreliable. **Overall, 75.1 percent of Native American households, 66.8 percent of Hispanic households, and 59.1 percent of African-American households in Raleigh had incomes of 80 percent or less of AMI as compared with 40.8 percent of White households.** For the county, this translated into 60.0 percent of Hispanic households, 56.1 percent of African-American households, and 50.6 percent of Native American households with incomes of 80 percent or less of AMI as compared with 34.3 percent of White households.

Appendix B contains several maps showing the concentration of the aforementioned minority populations by census tract for Wake County. Aside from African-Americans, much of the county's minority populations are concentrated outside of the I-440 Beltline. Although dispersed throughout the region, the Hispanic population is most dense right outside the Beltline and along major transportation corridors. Native Americans have dispersed more along the southern edges of the county, while the Asian population has predominately settled within the Research Triangle (western edge of Wake County). African Americans are most concentrated in the eastern and southern regions inside the Beltline.

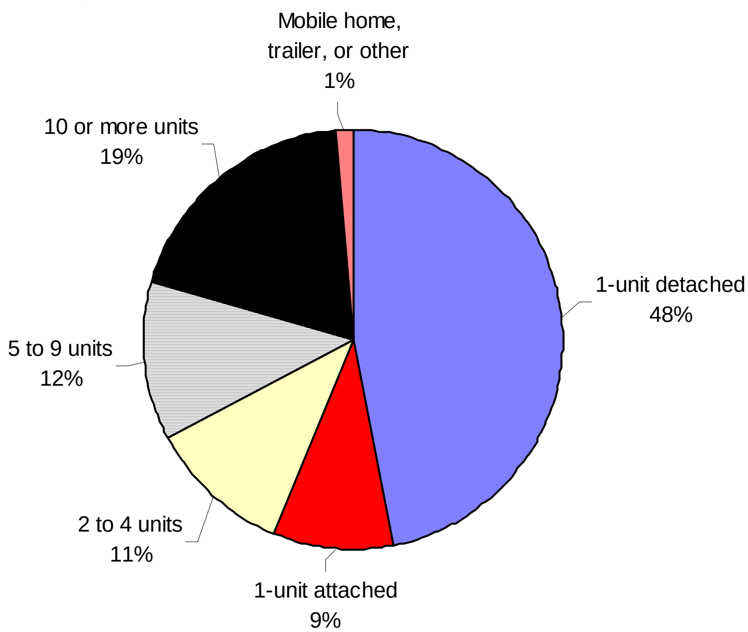
# II. Housing Supply

This section of the Housing Market Analysis spotlights the supply of housing available to meet the demand from the demographic groups previously discussed. The types of physical units available within a study area and the rents or sales prices that these units command in the market place characterize available supply. Raleigh-Durham-Chapel Hill MSA had a total of 495,612 housing units in 2000, according to the U.S. Census. Twenty-four percent of these homes were in Raleigh, while slightly over 50 percent were in Wake County.

***Housing Stock Composition***

Table A-15 displays 2000 U.S. Census housing stock data. For all areas, single-family detached housing constituted the highest percentage of the housing stock at 46.9, 61.1, and 60.6 percent for the city, county, and MSA, respectively. Multi-family units, especially larger complexes with 10 units or more composed the next largest concentration of units for all areas. As expected, due to its urban nature, Raleigh hosted a greater percentage of multi-family units, especially complexes with 10 or more units, than Wake County or Raleigh-Durham-Chapel Hill MSA. Raleigh also had a slightly higher concentration of owner-occupied multifamily products, such as condominiums, than the others areas considered. Though small in percentage, mobile homes and trailers, excluding manufactured housing on permanent foundations, were also part of the region's housing stock. Most of these were located in areas outside of Raleigh city limits, as Wake County showed a 5.5-percent share of mobile homes compared to the city's 1.4 percent. Raleigh-Durham-Chapel Hill MSA had the highest share of mobile homes and trailers at 9.0 percent of the housing stock. These structures are likely located in unincorporated areas of the county and MSA that are not regulated by strict zoning codes.

**Figure 12: Units in Structure in Raleigh, 2000**



Source: US Census 2000; Bay Area Economics, 2005

***Additions to Current Housing Stock***

Building permit data pulled from the 2000 Census and the State of the Cities Data Systems (SOCDS) Building Permits Database provided the latest additions to the current housing stock since 2000. While the data are reliable, they do not take into account any buildings permitted, but never built. They also do not consider any housing stock lost through demolition, condemnation, or natural disaster.

Table A-16 shows the number of housing units permitted from 2000 to 2004 for the Raleigh area. For Raleigh, 28,806 total units received permits, with the majority (64.8 percent) being single-family units. At 120,683 units in 2000, this would put the current total number of units in Raleigh at 149,489. According to the City of Raleigh's Planning Department, however, the estimated total number of housing units in January 2005 for Raleigh was 147,355, suggesting that 2,134 units permitted were lost or not yet built. Construction activity during the four-year period was cyclical with the economy, falling in 2002 but rebounding significantly by the latter part of 2004. More specifically, for each six-month period from July 2002 to January 2005, the growth rate ranged from 1.7 to 2.1 percent.[8] **In the last year, the number of housing units grew 3.9 percent, almost identical to the growth in population. Northeastern and Northwestern Raleigh have experienced the largest increase in housing units, which is consistent with recent population growth.**[9] Lastly, comparing construction activity with household growth over the four-year period, Raleigh's total number of units increased by 22.1 percent, while the number of households increased by 13.2 percent for the same period.

Wake County and Raleigh-Durham-Chapel Hill MSA had a higher percentage of single-family units permitted than the city due to more land available to meet suburban housing demand. Wake County is similar to the city in terms of increases in construction activity (21.3 percent) compared to household growth (12.0 percent). Increases in the MSA are proportional at 18.0 percent for units permitted and 10.7 percent for households.

**Figure 13: Number of New Housing Units Permitted from 2000 to 2004**

| Jurisdiction | Single-Family | Percent of Total | Multi-Family | Percent of Total | Total Housing Units |
|---|---|---|---|---|---|
| **Raleigh** | **18,677** | **64.8%** | **10,129** | **35.2%** | **28,806** |
| Wake County | 42,640 | 77.0% | 12,712 | 23.0% | 55,352 |
| Raleigh MSA | 69,062 | 77.4% | 20,206 | 22.6% | 89,268 |

Source: U.S. Census, 2000; SOCDS Building Permits Database; Bay Area Economics, 2005

The Fall 2004 Triangle Apartment Market Report by Karnes Research Company breaks down new development activity in Wake, Durham, and Orange counties by designated submarkets (Appendix B). For Wake County, it reports a total of 2,145 apartment units under construction and another 2,888 units proposed (i.e., beginning construction in the next 12 to 18 months) as of September 2004. These numbers are the highest amongst the three counties and coincide with the

[8] Ibid

[9] ibid

county's tremendous growth in population and households. The Northwest and Southwest Wake County subareas are currently experiencing the most development activity (Figure 14).

**Figure 14: Wake County Rental Development Activity (as of September 2004)**

| Submarket | Under Construction | Proposed |
|---|---|---|
| Cary/Morrisville/Apex | 344 | 312 |
| North | 297 | 0 |
| Northeast | 228 | 495 |
| Northwest | 598 | 1,344 |
| South | 223 | 300 |
| Southwestern | 455 | 437 |
| **Total** | **2,145** | **2,888** |

Source: Triangle Apartment Market Report, Fall 2004; Karnes Research Company; Bay Area Economics, 2005

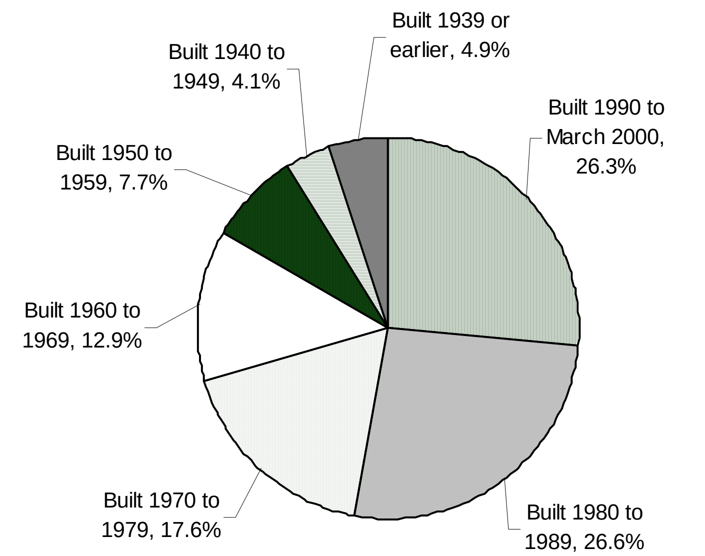
***Condition of Housing Stock***

Without a visual survey or inspection of each housing unit in the city, the condition of housing stock is difficult to pinpoint. The Census provides two minimum indicators for housing condition: availability of indoor plumbing and age. Table A-17 exhibits tenure by plumbing facilities. While almost all units provide adequate plumbing facilities for all jurisdictions, 479 units in the city lack sufficient plumbing (defined as hot/cold piped water and a full bathroom). This accounts for a small portion of the substandard housing units within the region. Thirty percent of the city's housing stock was built before 1970, suggesting that a fair amount of housing could be inadequate and in need of repair or rehabilitation.

*Age of Housing Stock*

Based on 2000 U.S. Census data shown in Table A-18, the Raleigh area showed a consistent rise in the number of recent units built. The decade of 1990 to 2000 represented the largest gain in new housing units for both the county and MSA, as units built within this decade composed one-third of the total area housing stock. **While Raleigh experienced considerable growth in the 1980s, its share of regional development declined from the 1980s. In part, this is a signal that vacant land within the city for new residential development is becoming scarce for upcoming years.** Residential infill and adaptive reuse opportunities should be explored to reduce the effects of this barrier.

**Figure 15: Year Structure Built for Raleigh**

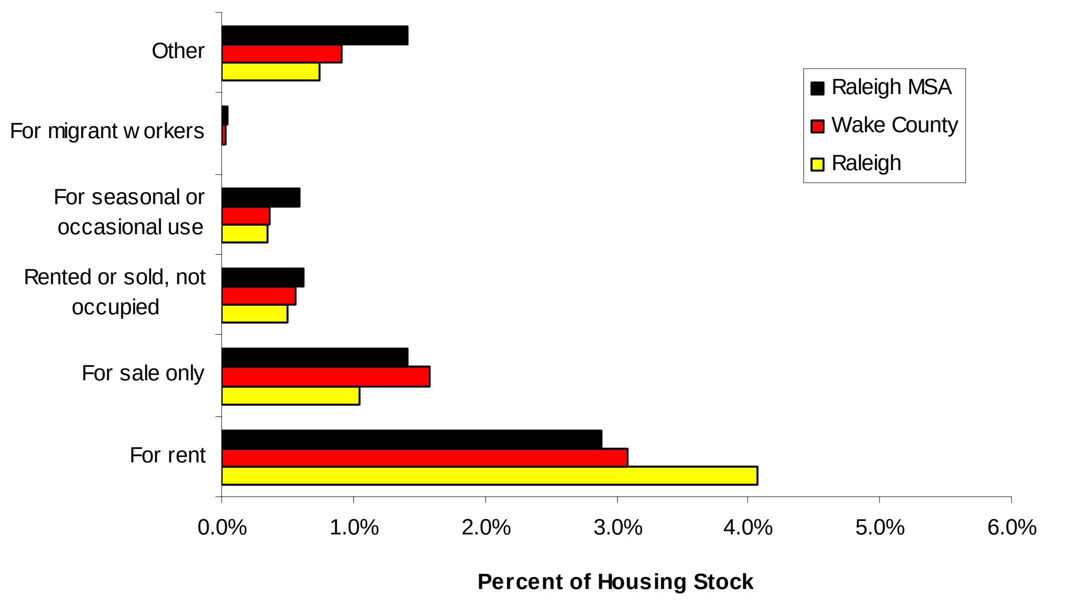



Source: US Census 2000; Bay Area Economics, 2005

***Availability of Housing***

According to Table A-19, approximately 7 percent of the housing stock for all areas in 2000 was vacant. The Census defines "vacant" as any unit not occupied by a year-round household that resides there six months or more each year. Rental vacancies were the most prevalent of all vacant units for Raleigh, Wake County, and Raleigh-Durham-Chapel Hill MSA alike, followed by vacant for-sale units. Overall, the vacancy status appears healthy, as the noted percentages allow typical movement within the market. The problem of abandoned properties leading to pervasive disinvestment and blight is not one that the area faces.

**Figure 16: Type of Vacant Units in Raleigh Area, 2000**




Source: US Census. 2000: Bav Area Economics. 2005

***Lead-Based Paint***

According to the Department of Housing and Urban Development, a lead-based paint hazard is "any condition that causes exposure to lead from dust-lead hazards, soil-lead hazards, or lead-based paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health effects."[10] The 2002 National Lead-based Paint Survey[11] estimated that an average of 25 percent of the nation's housing units had significant lead-based paint hazards. These hazards include significantly deteriorated lead-based paint, interior lead-contaminated dust, and lead-contaminated soil.

Applying these national statistics to the Raleigh area's demographic data, Figure 17 gives estimates of lead-based paint levels:

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[10] "Lead Speak – A Brief Glossary". Department of Housing and Urban Development, 2004. <http://www.hud.gov/offices/cpd/affordablehousing/training/leadsafe/leadspeak.pdf>

[11] Clickner, Robert P. et. al. National Survey of Lead and Allergens in Housing: Volume I: Analysis of Lead Hazards, 31 October 2002

| Figure 17: Lead-based Paint Hazards | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **(National Lead-based Paint Survey)** | | | | | | |
| | Total Units | | | | Estimated Units with Lead | | |
| Housing Characteristics | **Raleigh** | Wake County | Raleigh MSA | National Percentage | **Raleigh** | Wake County | Raleigh MSA |
| | | | | | | | |
| Household Income (estimates reflect number of households) | | | | | | | |
| < $30,000 | **33,349** | 57,311 | 134,450 | 25% | **8,337** | 14,328 | 33,613 |
| ≥ $30,000 | **79,378** | 184,822 | 326,885 | 25% | **19,845** | 46,206 | 81,721 |
| | | | | | | | |
| Poverty (estimates reflect number of persons) | | | | | | | |
| In Poverty | **29,807** | 47,685 | 117,472 | 38% | **11,327** | 18,120 | 44,639 |
| Not in Poverty | **230,507** | 561,804 | 1,028,710 | 22% | **50,712** | 123,597 | 226,316 |
| | | | | | | | |
| Race (estimates reflect number of persons) | | | | | | | |
| White | **166,386** | 439,160 | 793,714 | 25% | **41,597** | 109,790 | 198,429 |
| African-American | **75,931** | 122,648 | 267,789 | 29% | **22,020** | 35,568 | 77,659 |
| Other | **14,468** | 32,053 | 53,858 | 23% | **3,328** | 7,372 | 12,387 |
| | | | | | | | |
| Ethnicity (estimates reflect number of persons) | | | | | | | |
| Hispanic/Latino | **19,308** | 33,985 | 72,580 | 32% | **6,178** | 10,875 | 23,226 |
| Not Hispanic/Latino | **256,785** | 593,861 | 1,115,361 | 24% | **61,628** | 142,527 | 267,687 |

Source: National Survey of Lead and Allergens in Housing: Volume I: Analysis of Lead Hazards; Bay Area Economics, 2005

***Assisted Housing Units***

*Public Housing Units*

Raleigh Housing Authority operates 15 public housing communities and several scattered sites totaling 1,587 units. The breakdown of units is as follows: 506 efficiency or one-bedroom units; 376 two-bedroom units; 571 three-bedroom units; 104 four-bedroom units; and 18 five-bedroom units. All of the communities have a healthy occupancy rate of 94 percent or better. Those with the lowest occupancy rates are currently modernizing units. Two of the 15 communities are designated for only elderly residents.

RHA's non-profit entities own several sites totaling 149 units. These sites consist of efficiencies, one-bedroom, two-bedroom, and three-bedroom units; 33 of which are accessible. These also carry an occupancy rate of 95 percent or better.

**Figure 18: Public Housing Units**

| Community | Project No. | Total Units | 0/1BR | 2BR | 3BR | 4BR | 5BR | Accessible Units | Occupancy Rate |
|---|---|---|---|---|---|---|---|---|---|
| Walnut Terrace | NC2-5 | 300 | 48 | 94 | 106 | 46 | 6 | 15 | 99% |
| Glenwood Towers (elderly) | NC2-6 | 286 | 286 | | | | | | 99% |
| Kentwood | NC2-7 | 89 | 4 | 20 | 42 | 21 | 2 | 4 | 96% |
| The Oaks | NC2-10 | 50 | | 26 | 14 | 10 | | 5 | 96% |
| Mayview | NC2-11 | 61 | | 40 | 21 | | | 4 | 94% |
| Heritage Park | NC2-12&13 | 122 | 6 | 46 | 36 | 14 | 8 | 3 | 100% |
| Meadow Ridge | NC2-14 | 60 | 8 | 28 | 18 | 4 | 2 | 3 | 100% |
| Carriage House (elderly) | NC2-15 | 100 | 100 | | | | | 11 | 99% |
| Birchwood | NC2-18 | 50 | 30 | 16 | 4 | | | 2 | 96% |
| Valleybrook | NC2-19 | 50 | | 29 | 17 | 4 | | 4 | 94% |
| Eastwood Court | NC2-20 | 50 | | 24 | 22 | 4 | | 3 | 100% |
| Stonecrest | NC2-21 | 42 | | 26 | 16 | | | 2 | 99% |
| Terrace Park | NC2-22 | 50 | | 8 | 42 | | | 2 | 100% |
| Berkshire Village | NC2-25 | 40 | | | 40 | | | 3 | 95% |
| Capitol Park | | 60 | 24 | 18 | 18 | | | 15 | 100% |
| Single-Family Homes | | 177 | | 1 | 175 | 1 | | 6 | 100% |
| **Total** | | **1,587** | **506** | **376** | **571** | **104** | **18** | **82** | |

Source: Raleigh Housing Authority; Bay Area Economics, 2005

**Figure 19: Non-Public Housing Units (Owned by RHA's Non-profit)**

| Community | Total Units | 0/1BR | 2BR | 3BR | 4BR | 5BR | Accessible Units | Occupancy Rate |
|---|---|---|---|---|---|---|---|---|
| Parkview Manor (seniors 55+) | 90 | 60 | 30 | 0 | 0 | 0 | 30 | 99% |
| Market Rate Units | 59 | 0 | 40 | 19 | 0 | 0 | 3 | 95% |
| **Total** | **149** | **60** | **70** | **19** | **0** | **0** | **33** | |

Source: Raleigh Housing Authority; Bay Area Economics, 2005

*Waiting List*

The breakdown by number of bedrooms needed for those on the waiting list is as follows: 1,418 one-bedroom units; 1,060 two-bedroom units; 289 three-bedroom units; 53 four-bedroom units, and 12 five-bedroom units. The greatest demand is for one-bedroom, non-elderly units and two-bedroom units, as there are not many large families. RHA has recently had difficulty in filling vacancies within its older housing stock, which consists of high-rise buildings. Many applicants do not want to live in a high-rise building.

| Figure 20: Waiting List Supply Needs | | |
|---|---|---|
| Units | Number of Families | Percent of Total Families |
| 1BR | 1,418 | 50% |
| 2BR | 1,060 | 37% |
| 3BR | 289 | 10% |
| 4BR | 53 | 2% |
| 5BR | 12 | <1% |
| **Total** | **2,832** | **100%** |

Source: Public Housing Authority Plans for FY2006-2010; Bay Area Economics, 2005

*Additional Subsidized Housing Units*

Subsidized housing not only includes housing managed by the area's public housing authorities, but also units provided by private landlords that receive HUD subsidies and/or assistance. These units include private properties that take public subsidies such as Section 8 or those developed with Low-Income Housing Tax Credits. RHA manages a portfolio of over 3,300 Section 8 vouchers. The table below gives a total of subsidized housing units. Table A-20 and Figure 22 offer a more specific breakdown of LIHTC and Section 8 units.

**Figure 21: Subsidized Housing Units**

| Public Housing Units | Section 8 Housing Units | Total LIHTC Units | LIHTC Under Construction * | Total Number of Units | Total Units per 100 Renters** |
|---|---|---|---|---|---|
| 1,587 | 256 | 2,828 | 84 | 4,755 | 25 |

*These units are not additional units and are included in the total LIHTC unit count.

**Renters are limited to only those with incomes of 50 percent of AMI or less.

Source: US Department of Housing and Urban Development; Bay Area Economics, 2005

Both Raleigh and Wake County are currently adding new LIHTC units to their overall subsidized housing counts. The 84 new units under construction may relieve some of the current unmet need for subsidized housing units in the city. **As a whole, Raleigh currently provides 25 subsidized units for every 100 renters (one out of every four) with incomes up to 50 percent of AMI.** Two other tax credit projects in the Northwest Wake County Subarea (Appendix B), Perry Hill and Village of New Hope, are set to begin construction in the next 12 to 18 months and will deliver an additional 93 units.

*Assisted Units at Risk of Conversion*

Units at risk of conversion to market-rate rents include those subsidized units at the end of their affordability contracts. In past decades, HUD allocated funding to Section 8 project-based developments with 10-, 15-, or 20-year subsidy contracts to assist low-income households. A total of 256 units in HUD-subsidized developments are currently serving low-income households throughout Raleigh. The majority have contracts that have already expired or will be expiring in the next five years as shown in the following table.

**Figure 22: Existing Section 8 Housing Units**

| Raleigh | Expiration Date | Total Units |
|---|---|---|
| ARC/HDS WAKE COUNTY GROUP HOME #2 | 2/24/2008 | 7 |
| AS WAKE CO. G.H. #3 | 7/20/2005 | 7 |
| AS WAKE CO. G.H. #1 | 3/23/2012 | 7 |
| CEDAR CREST NEW LIFE CENTER | 10/15/2006 | 40 |
| CEDAR MOOR | 9/30/2005 | 81 |
| CLUB PLAZA APARTMENTS | 2/10/2005 | 32 |
| COSMO AND LEWIS ESTATES | 8/10/2008 | 14 |
| JADE TREE/GLEN EDEN Group Home | 7/30/2011 | 7 |
| ROANOKE COMMONS | 11/29/2009 | 33 |
| SHADE HILL APARTMENTS | 3/10/2017 | 7 |
| TAMMY LYNN ICF/MR | 8/15/2005 | 7 |
| UCP EASTERN GROUP HOME #1 | 6/20/2008 | 7 |
| WHITTECAR HOME | 5/20/2012 | 7 |
| **Total** | | **256** |

Source: HUD; Bay Area Economics, 2005

***Current Rental Housing Market***

Table A-21 details the range of contract rents for the Raleigh area in 2000. The most prevalent contract rent for Raleigh ranged between $600 and $750, representing 32.4 percent of renters. Wake County and the Raleigh-Durham-Chapel Hill MSA followed suit with the same range representing 30.2 percent and 24.5 percent of renters.

The Fall 2004 edition of the Triangle Apartment Market Report by Karnes Research Company explores rental market supply and demand in terms of current inventory, completions, proposed units, net absorption, and vacancies for Wake, Durham, and Orange Counties. Using this report, BAE examined current rental market conditions for Wake County and the Triangle Region as a whole. Where appropriate, trends by submarket were noted (Appendix B). A total of 53,922 units were surveyed for Wake County, which accounts for 64 percent of total apartments surveyed for the region. Four out of five largest submarkets in the region fall within Wake County. They include: Cary/Morrisville/Apex, Northwest Wake, North Wake, and Southwest Wake.

Figure 23 presents a snapshot of the average rents and unit sizes by unit type for Wake County. Rents per square foot range from $1.08 for small efficiency units to $0.75 for larger three-bedroom units. The average rent per square foot for Wake County ($0.79) is the slightly lower than that of the three-county region at $0.81. Wake County has a larger supply of rental units than other counties considered and, thus, can offer more rental housing choices and prices. In the past year, rents in Wake County collectively decreased by 1.2 percent with only Northeast, South, and Southwest Wake experiencing positive change.

Figure 23: Wake County Average Rent & Unit Sizes – September 2004

| Unit Type | Gross Rent | Unit Size | Rent Per Square Foot |
|---|---|---|---|
| Efficiency | $470 | 435 | $1.08 |
| One Bedroom | $656 | 756 | $0.87 |
| Two Bedrooms | $779 | 1,042 | $0.75 |
| Three Bedrooms | $995 | 1,322 | $0.75 |
| **Total** | **$751** | **956** | **$0.79** |

Source: Triangle Apartment Association & Karnes Research Company, 2004; Bay Area Economics, 2005

Figure 24 reveals net absorption and vacancy rates for rental apartments during the six-month period beginning in March 2004 and ending in September 2004. Rental demand in the Triangle area varies by season, typically rising in the spring-summer months and falling in the fall-winter months. Since 2002, Wake County has experienced negative or minimal net absorption in the fall-winter, while summer months have peaked as high as 2,255 units in September 2002. Wake County's current absorption of 1,664 units has been the smallest spring-summer net absorption since 2002 and shows strong demand for one- and two-bedroom units. Vacancy rates have declined steadily since 2002, peaking at 13.1 percent for the six-month period ending in March 2002 and dropping to 8.0 percent for the six-month period ending in September 2004. Although improving, the current vacancy rate is still much higher than the 3.6 percent average reported for September periods between 1993 and 2000. Recent high vacancy rates reflect, in part, the low mortgage interest rates that have allowed many former renters to buy homes. **This high vacancy rate indicates a surplus of supply relative to demand, which is likely to increase with 2,145 units currently under construction and another 2,888 units proposed for Wake County.** Trends in vacancy rates by unit type for Wake County coincide with those of the Triangle as a whole.

Figure 24: Wake County Units, Absorption, and Vacancy – September 2004

| Unit Type | Total Surveyed | Net Absorption | Vacancy |
|---|---|---|---|
| Efficiency | 681 | 28 | 6.6% |
| One Bedroom | 20,578 | 487 | 6.7% |
| Two Bedrooms | 26,822 | 948 | 8.3% |
| Three Bedrooms | 5,841 | 201 | 11.4% |
| **Total** | **53,922** | **1,664** | **8.0%** |

Source: Triangle Apartment Association & Karnes Research Company, 2004; Bay Area Economics, 2005

Finally, regarding turnover ratio (the comparison of rental move-outs to total units) from September 2003 to September 2004, Wake County equaled that of the surveyed region at 52 percent. By submarket, Southwest Wake had the highest turnover ratio at 61 percent, which is likely due to the cyclical mobility of the University population.

***Fair Market Rents***

HUD sets Fair Market Rents (FMRs) per jurisdiction based on market rents. These rents are by bedroom size and are given here by Metropolitan Statistical Area (MSA) to compare Raleigh-Durham-Chapel Hill MSA to others across the state. Figure 24 reveals that Raleigh-Durham-

Chapel Hill MSA has the highest FMRs in the state, competing only with Charlotte MSA. Additionally, the two-bedroom FMR for Raleigh-Durham-Chapel Hill MSA is 24 to 39 percent higher than those of the Greensboro and Rocky Mount MSAs.

The area's strong economy is the prime cause of such high FMRs; however, the gap between these rents and those affordable to Raleigh's residents ultimately highlight the cost pressures facing the region's low-income households.

**Figure 25: 2005 Fair Market Rents**

| Location | Bedroom Type | | | | |
|---|---|---|---|---|---|
| **MSA** | **Zero** | **One** | **Two** | **Three** | **Four** |
| Asheville | $460 | $537 | $600 | $816 | $1,054 |
| Charlotte | $597 | $647 | $719 | $913 | $1,000 |
| Fayetteville | $476 | $509 | $574 | $820 | $965 |
| Goldsboro | $366 | $434 | $508 | $636 | $850 |
| Greensboro | $501 | $558 | $627 | $834 | $902 |
| Greenville | $420 | $439 | $545 | $790 | $815 |
| Hickory | $427 | $449 | $516 | $662 | $771 |
| Jacksonville | $432 | $463 | $520 | $730 | $857 |
| **Raleigh** | **$574** | **$701** | **$779** | **$995** | **$1,076** |
| Rocky Mount | $366 | $441 | $562 | $698 | $719 |
| Wilmington | $496 | $553 | $673 | $951 | $979 |

Source: U.S. Department of Housing and Urban Development; BAE, 2005.

***Rental Affordability***

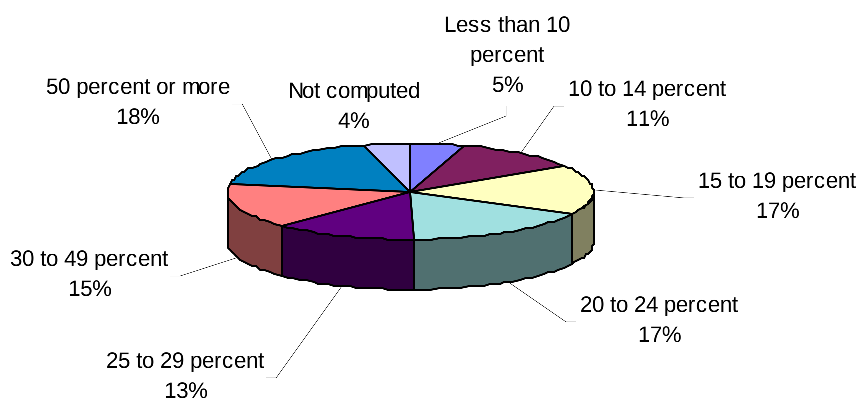
Affordable housing units are generally defined as those units costing a household 30 percent or less of its income for rent and utilities. The following table shows the maximum affordable gross rent according to HUD's estimated income limits for this area. Using a four-person household as a standard for comparison, the region's maximum affordable monthly housing costs range from more than $500 for an extremely-low-income household to approximately $1,400 for those with incomes at 80 percent of AMI. Very-low-income households can afford monthly rents of up to roughly $900 (Figure 26).

The mismatch between market rents and affordable rents identifies the affordability gaps in the market, in which there is very little housing affordable to extremely-low-income households and many very-low-income households. While an extremely-low-income family with four persons could afford to spend no more than $535 to rent a three-bedroom unit, the fair market rent is just below $1,000 per month. While very-low-income families of three with the highest incomes (50 percent of AMI) could afford up to $803 per month for a two-bedroom unit with a fair market rent of $779, most very-low-income families with incomes less than 50 percent of AMI cannot afford local market rents. Households with incomes 51 to 80 percent of AMI are better able to afford market rents.

| Figure 26: Maximum Affordable Gross Rent in Raleigh-Durham-Chapel Hill MSA, 2005 | | | | | |
|---|---|---|---|---|---|
| | Household Size | | | | |
| **Raleigh Metropolitan Statistical Area** | 1 person | 2 persons | 3 persons | 4 persons | 5 persons |
| Extremely Low Income (0% to 30%) | $374 | $428 | $481 | $535 | $578 |
| Very Low Income (31% to 50%) | $624 | $713 | $803 | $891 | $963 |
| Low Income (51% to 80%) | $999 | $1,141 | $1,284 | $1,426 | $1,540 |

For these households, the measure of housing affordability is determined by the housing cost burden – the percent of total gross income spent on housing (rent and utilities). When a household pays in excess of 30 percent of its gross income for housing, this is considered to be a "housing cost burden". Households with severe cost burdens spend more than 50 percent of their gross income for housing.

**Figure 27: 2000 Gross Rent as a Percentage of Household Income for Raleigh**




Source: US Census 2000; Bay Area Economics, 2005

Table A-22 shows gross rent as a percentage of household income for 2000. One-third of Raleigh's households spent 30 percent or more of their household income on gross rent, including 18.6 percent who were severely cost burdened or paid over one-half of their household income on rent. The county and MSA show similar, though lower, percentages among their respective populations.

When examined more specifically by income level, housing cost burdens are much higher among Raleigh's low-income households (Table A-23). Seventy-six percent of extremely-low-income renter households spent more than 30 percent of their income on housing in 2000, including 62 percent who spent more than one-half of their income on housing. Seventy-eight percent of very-low-income renter households spent 30 percent or more of their income on housing, including 26 percent who were severely cost burdened. As expected, low-income renter households had the lowest percent cost burdened and severely cost burdened at 35 percent and 2 percent, respectively.

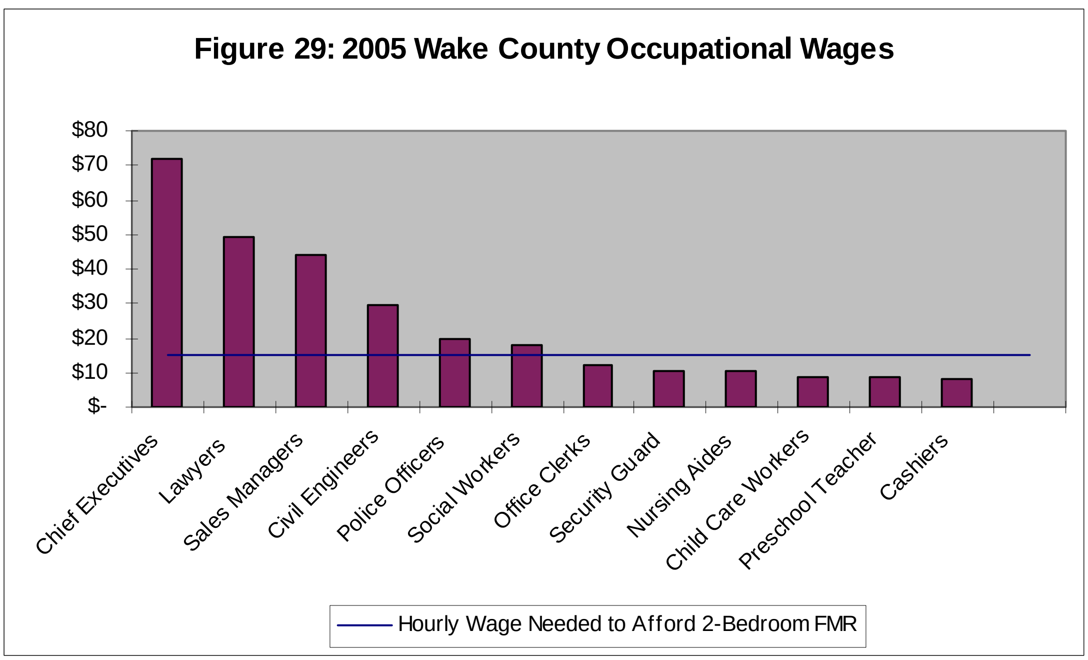
The National Low Income Housing Coalition (NLIHC) provides another way of understanding the affordability gap – the wage a single-earner household would need to earn to pay for the average unit (assumed at HUD's Fair Market Rent). NLIHC reports that a worker would need to earn $14.98 per hour to afford a two-bedroom unit while working 40 hours per week. A worker making minimum wage would need to work 116 hours per week to afford the two-bedroom FMR. Many low-income residents work more than one job and much more than 40 hours per week, but frequently the gap between market and affordable rents requires such households to spend more than 30 percent of their incomes on rent.

**Figure 28: Hourly Wage vs. Work Hours Required to Afford Rental Housing**

| Unit Type | Hourly Wage[1] | Work Hours[2] |
|---|---|---|
| Efficiency FMR | $11.04 | 86 |
| 1 Bedroom FMR | $13.48 | 105 |
| **2 Bedroom FMR** | **$14.98** | **116** |
| 3 Bedroom FMR | $19.13 | 149 |
| 4 Bedroom FMR | $20.69 | 161 |

Note: [1]Hourly wage required to afford each unit type of housing
[2]Hours per week necessary at minimum wage to afford each size of housing unit

The North Carolina Employment Security Commission lists various occupations paying wages that do not support the two-bedroom Fair Market Rent. A comparison of various 2005 occupational wage rates is shown below.




Source: North Carolina Employment Security Commission; Bay Area Economics, 2005

***Current For-Sale Housing Market***

Affordability of for-sale housing is estimated based on spending no more than 30 percent of a household's income on housing costs, including mortgage principal and interest, real estate taxes, and mortgage and hazard insurance. BAE's mortgage calculator calculates the maximum affordable sales prices based on a 10-percent downpayment, a 6.5-percent mortgage interest rate, and a 0.25-percent premium for private mortgage insurance. The following table provides a range of affordable sales prices by income for extremely-low-income, very-low-income, and low-income households.

These maximum affordable sales prices are generally below those available in the Raleigh market area. According to the 2000 US Census, the median value of all owner-occupied units in Raleigh and Wake County was respectively $152,400 and $156,200. Recent 2004 single-family residential sales for Raleigh and Wake County revealed a median sale prices of $180,000. This median sale price is considerably greater than the maximum affordable sales price for very-low-income households in the Raleigh-Durham-Chapel Hill MSA.

Figure 30: Maximum Affordable Sales Prices in Raleigh-Durham-Chapel Hill MSA, 2005

| | Household Size | | | |
|---|---|---|---|---|
| **Raleigh Metropolitan Statistical Area** | **1 person** | **2 persons** | **3 persons** | **4 persons** |
| Extremely Low Income (0% to 30%) | $50,528 | $57,794 | $65,061 | $72,327 |
| Very Low Income (31% to 50%) | $84,325 | $96,324 | $108,491 | $120,489 |
| Low Income (51% to 80%) | $114,743 | $154,287 | $173,551 | $192,816 |

Source: Bay Area Economics, 2005

The sales price index reported by the Office of Federal Housing Oversight (OFHEO) documents modest price increases for Raleigh-Cary MSA housing. Under HUD, OFHEO provides a repeat sales index, measuring the actual price change for individual houses. As each house is resold, OFHEO records the data, thus controlling for the differences in home characteristics that normally influence sales price. According to this index, home prices in the Raleigh-Cary MSA have increased by 2.54 percent in the last 12 months and by an annual average rate of 3.08 percent over the last five years. The index peaked in 2001 at 4.6 percent, but has since declined. The average annual rate of housing price increases for the MSA is less than that of both the state and nation as a whole, where home sales prices respectively rose by 3.9 percent and 7.2 percent annually during the last five years. Other North Carolina MSAs (Greensboro and Charlotte) show housing price increases similar to Raleigh-Cary MSA (3.36 percent for each) over the same time period.

For 2004, there were 8,849 residential units sold within the corporate city limits of Raleigh (Table A-24). Sixty-eight percent (6,093) of all residential sales were single-family homes. Townhouses and condominiums followed at 22.7 percent and 8.5 percent, respectively. This breakdown in sales was very similar to 2003. The city's 2004 median sales price for both new units and units resold was $166,000 compared to $179,000 for the county. The median sales prices by housing type were as follows: $180,000 for single-family detached houses; $136,500 for townhouses, and $122,500 for condominiums. Thus, 30.2 percent (1,842) of all single-family sales were $150,000 or less compared to 59.1 percent (1,187) of all townhouse sales and 71.4

percent (535) of all condominium sales. A closer look into median sale price differentials between new units and resale units revealed the following: a $3,500 difference for single family units in favor of units resold; a difference of $14,500 for townhouses in favor of new units; and a $52,000 difference in favor of new units for condominiums. Comparing these differentials with those of the previous year, new unit and resale values for single family homes and townhouses are becoming more equal, while the median sales price of newly constructed condominiums are significantly greater than condominiums resold. This could be the result of those renting by choice deciding to buy, as interest rates are still low and condominiums typically have features that are attractive to renters (i.e. smaller square footage, proximity to urban centers and activity, minimal outdoor maintenance, common areas, etc.)

Regarding residential sales by neighborhood (Table A-25), both Lake Lynn and Southeast Raleigh showed the highest volume with 1,067 and 988 sales in 2004, respectively. These areas had respective median home sales prices of $176,000 and $130,000. Downtown Raleigh and areas north of Garner revealed the small number of sales in 2004 at 76 and 13, respectively. The Lake Johnson/Centennial area experienced the lowest median sales price of all neighborhoods at $122,000, while Five Points had the highest median sales price at $310,000. Two neighborhoods, Five Points and Falls Lake reported single-family home sales of greater than $299,000 for units resold (Table A-26). For newly constructed single family units, several neighborhoods reported median sales prices greater than $330,000, including the North Hills neighborhood at nearly $631,500. Furthermore, areas north of the Raleigh-Durham Airport reported median townhouse sales prices of more than $300,000. The overall median home sales prices for these neighborhoods tended to be less than these benchmarks, but the data do point toward a growing market for more expensive homes, especially for areas in proximity to schools and the airport.

Figure 31 presents the housing opportunities index (HOI), as provided by the National Association of Homebuilders and Wells Fargo, for major metropolitan areas within North Carolina. The housing opportunities index for a given area is defined as the share of homes sold in that area that would have been affordable to a family earning the median income. The data below compare statistics from the second quarter of 1999 and the third quarter of 2004. It suggests that Raleigh households earning median income of $69,800 could afford 74.4 percent of the homes sold in MSA in 2004, up from 66.7 percent in 1999. **The Raleigh-Durham-Chapel Hill MSA continued to have the third highest HOI and affordability ranking compared to other metropolitan areas in the state due largely to the decline in mortgage interest rates, the slower increase in home appreciation, and higher family income over the past five years.**

Figure 31: Housing Opportunities Index for Raleigh and Nearby Metropolitan Areas

| | **2004 (3rd Quarter)** | | | | **1999 (2nd Quarter)** | |
|---|---|---|---|---|---|---|
| NC Metropolitan Areas | HOI | Median Family Income | Median Sales Price | Affordability Rank | HOI | Affordability Rank |
| Greensboro | 79.1 | $55,500 | $130,000 | 28 | 75.3 | 77 |
| Fayetteville | 75.9 | $46,900 | $117,000 | 41 | 71.3 | 101 |
| Raleigh | 74.4 | $69,800 | $169,000 | 47 | 66.7 | 122 |
| Charlotte | 73.5 | $61,800 | $153,000 | 48 | 66.1 | 127 |
| Asheville | 67.0 | $49,700 | $148,000 | 72 | 61.1 | 144 |

Source: National Association of Home Builders/Wells Fargo; Bay Area Economics, 2005

*Foreclosures*

The North Carolina Administrative Office of the Courts keeps a database of recent home foreclosures within the state (Figure 32). These numbers exclude foreclosed mobile homes, which are tallied by the Department of Motor Vehicles as chattel loan repossession; these data could not be obtained. Wake County has seen a substantial rise in the number of home foreclosures since 1998. In the seven-year period from 1998 to 2004, the number of annual home foreclosures more than tripled. The state proportionately follows this trend. These recent increases in residential foreclosures can be attributed in part to the very sizeable presence of subprime lenders throughout the state, who have issued a high number of subprime loans to households at varied income levels (see *Subprime Lending* below). The economic hardships (i.e., plant closings and permanent layoffs) suffered by this region may have also contributed to the higher incidence of foreclosures since the turn of the century.

**Figure 32: Annual Foreclosures, 1998-2004**

| Location | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | Percent Change (1998 – 2004) |
|---|---|---|---|---|---|---|---|---|
| Wake County | 966 | 1,148 | 1,362 | 1,878 | 2,614 | 3,414 | 3,350 | 247% |
| North Carolina | 15,295 | 17,872 | 20,589 | 25,869 | 35,599 | 44,179 | 42,882 | 181% |

*Subprime Lending*

According to a 2002 report from the Center for Responsible Lending[12], North Carolina has had a thriving subprime home lending market. Subprime loans are typically for persons with blemished or limited credit histories and carry a higher interest rate than prime loans to account for the credit risk.[13] In 2000, the Home Mortgage Disclosure Act (HMDA) database showed that the state's home loan borrowers were 20 percent more likely than borrowers elsewhere in the nation to receive a subprime loan. North Carolina also had 15 percent more subprime home loans per capita than the rest of the nation in 2000. Specifically, the 2003 HMDA database reveals 74 subprime lenders located in Wake County that have originated over 3,800 loans totaling more than $500 million. A list of these lenders by county is shown in Table A-27. Furthermore, North Carolina borrowers with annual incomes of less than $25,000 received a higher proportion of subprime to prime loans than borrowers within the same income range in any other state (Figure 33).

[12] Ernst, Keith, John Farris & Eric Stein. North Carolina's Subprime Home Loan Market After Predatory Lending Reform. 13 August 2002 <http://www.responsiblelending.org>

[13] *Subprime Lending*. US Department of Housing and Urban Development. 22 November 2002. <http://www.hud.gov/offices/fheo/lending/subprime.cfm>

**Figure 33: North Carolina Subprime Lending to Low-Income Borrowers (Annual Income less than $25,000), 1998-2000**

| Year | Percent of all Home Loans | N.C. Rank (out of 51) |
|---|---|---|
| 1998 | 26.2 | 3 |
| 1999 | 33.5 | 2 |
| 2000 | 32.9 | 1 |

Source: Home Mortgage Disclosure Act data; Randall M. Scheessele, "Manufactured Home and Subprime Lender List", HUD 2001; Bay Area Economics, 2004

Finally, the Center for Community Capitalism at the University of North Carolina Chapel Hill[14] reports that predatory loan features such as prepayment penalties and balloon payments significantly increase the likelihood of mortgage foreclosures. Many subprime borrowers already present a number of risks including impaired credit, high loan-to-value ratios, high debt-to-income ratios, and unstable income. Added penalties or large payments compound and perpetuate their pre-existing financial burdens, causing increased incidence of foreclosures that occur earlier in the loan term. Low-income, elderly and minority borrowers may be especially susceptible to subprime lending due to their greater vulnerability to "push-marketing", high pressure sales pitches, inexperience with mortgage lending, and urgent need for credit.[15]

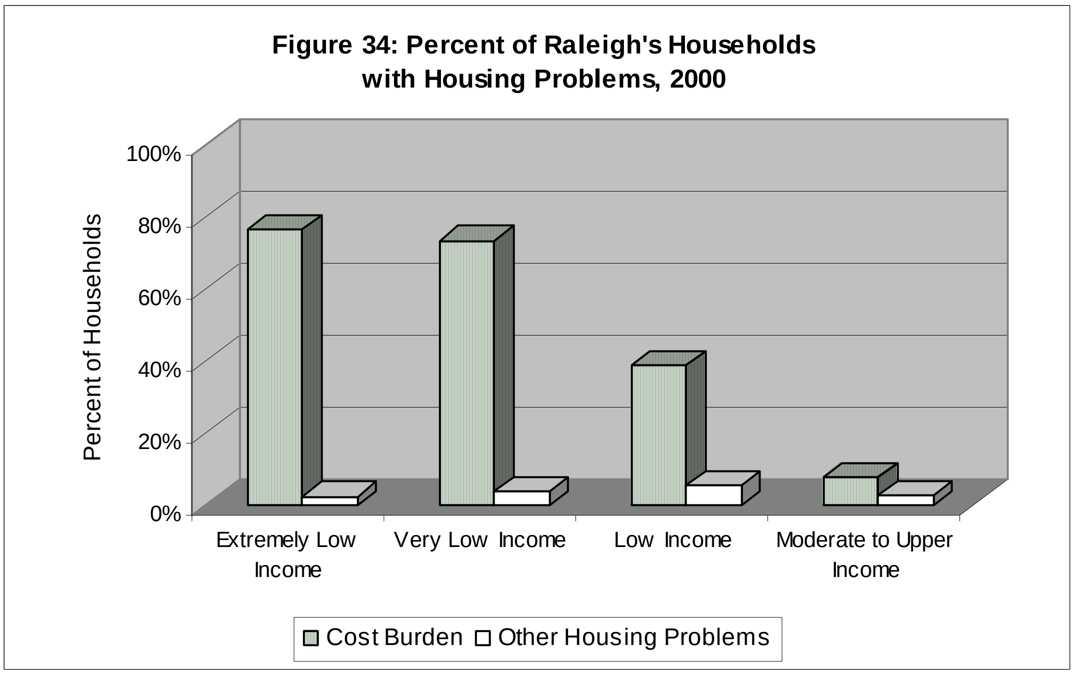
[14] Quercia, Robert, Michael Stegman, & Walter Davis. The Impact of Predatory Loan Terms on Subprime Foreclosures: The Special Case of Prepayment Penalties and Balloon Payments. University of North Carolina Chapel Hill. 25 January 2005.

[15] Ibid

# III. Housing Assistance Needs

HUD defines a household in need of housing assistance as any household with one or more of the following housing problems: spending in excess of 30 percent of household income on housing, living with more than one person per room, or occupying a unit with physical defects (e.g., lacking complete kitchen or bathroom facilities).

In Raleigh, there were 34,890 households with housing problems in 2000, which accounted for 31 percent of total households. At 22,905 households, renters composed the majority (65.6 percent) of those with housing problems over owners (Table A-23).




Source: Comprehensive Housing Affordability Strategy Datebook; Bay Area Economics, 2005

The scope of these housing problems varies proportionately with the level of household income. Usually, as the household income decreases, the degree of housing problems increases. Extremely-low-income households are more than twice as likely to have housing problems compared to low-income households, as evident in the chart above.

The chart above also reveals that the vast majority of all the housing problems among Raleigh's households are cost burdens. Cost-burdened households may have other housing problems, as well, such as overcrowding and substandard conditions. Housing problems other than cost burdens peaked at 6 percent among all households, depending on income level. A closer look into what percentages of each income level have housing problems and cost burdens follows.

| Figure 35 (HUD Table 2A): Priority Needs Summary Table | | | | | |
|---|---|---|---|---|---|
| Priority Housing Needs (households) | | Percentage of Area Median Income | Priority Needs Level (High, Medium, Low) | Unmet Needs | Goals* |
| **Renter Households** | Small Related | 0% to 30% of AMI | H | 2,364 | 150 |
| | | 31% to 50% of AMI | H | 2,199 | 230 |
| | | 51% to 80% of AMI | M | 1,591 | 40 |
| | Large Related | 0% to 30% of AMI | H | 595 | 150 |
| | | 31% to 50% of AMI | H | 589 | 230 |
| | | 51% to 80% of AMI | M | 680 | 40 |
| | Elderly | 0% to 30% of AMI | H | 1,145 | 500 |
| | | 31% to 50% of AMI | H | 668 | 300 |
| | | 51% to 80% of AMI | H | 369 | 40 |
| | All Other | 0% to 30% of AMI | H | 4,011 | 150 |
| | | 31% to 50% of AMI | H | 3,657 | 230 |
| | | 51% to 80% of AMI | M | 3,713 | 40 |
| Non-Elderly Owner Households | | 0% to 30% of AMI | H | 1,104 | 70 |
| | | 31% to 50% of AMI | H | 1,482 | 125 |
| | | 51% to 80% of AMI | L | 3,117 | 125 |
| **Special Populations**** | | 0% to 80% of AMI | H | 606 | 300 |
| **Total Goals** | | | | | 2,270 |
| **Includes elderly households | | | | | |

Table A-23 gives a detailed breakdown of housing problems and cost burdens by income level. To obtain incremental information of very-low-income and low-income families, BAE pulled individual household records from the 2000 US Census Bureau, separated the data based on population and household characteristics (tenure, age, family size, etc.), and analyzed the data based primarily on AMI (determined by household size). From this information, BAE estimated the number of households between 31 and 40 percent of AMI, 41 and 50 percent of AMI, and 51 to 60 percent of AMI and calculated the percentages of those cost burdened for each household income level.

***Extremely-Low-Income Families (ELI)***

Extremely-low-income families include those households earning less than 30 percent of the AMI, adjusted by household size. For example, a four-person ELI household earns less than $21,400 annually.

There are 12,681 households in the extremely-low-income group for Raleigh, representing 11 percent of all households. Eighty-two percent (10,343) were renter households, while 18 percent were homeowners. Seventy-six percent of all households spent more than 30 percent of their income for housing, including 63 percent who spent in excess of 50 percent. Four out of five cost-burdened and severely-cost-burdened households were renters.

***Very-Low-Income Families (VLI)***
Very-low-income families (31 to 50 percent of the AMI) of four persons earn between $21,401 and $35,650 annually in Raleigh. Raleigh families in this income group composed 10 percent (11,829) of all households, with 73 percent being renters and 27 percent being owners. Over three-fourths of all households had housing problems. Seventy-three percent of all households spent more than 30 percent of their income on housing, including 28 percent who were severely cost-burdened. Renter households showed a larger percentage of those with cost burdens at 78 percent (26 percent severely cost burdened).

A closer look into VLI families reveals that the numbers of those earning between 31 and 40 percent of AMI and those earning between 41 and 50 percent of AMI are roughly equal. In general, more renters had cost burdens than owners**. However, there is a higher percentage of costs burdens among those earning between 31 and 40 percent of AMI.** Among renter households making between 31 and 40 percent of AMI, 90 percent of elderly and 92 percent of single and non-related households spent more than 30 percent of their income on housing. Comparably, 81 percent of single and non-related renter households earning 41 to 50 percent AMI spent more than 30 percent of their income for housing. The percentage drops significantly for elderly households at the same income level to 55 percent. For small-related households, there was a cost burden difference of more than 20-percentage points that existed between those earning 31 to 40 percent of AMI and those earning 41 to 50 percent of AMI, in favor of the former. Thus, VLI families making 31 to 40 percent of AMI have had the most difficult time affording housing.

***Low-Income Families (LI)***
Low-income families (51 to 80 percent of the AMI) of four persons earn between $35,651 and $57,050 annually in Raleigh for 2000. Approximately two out of five low-income households had housing problems in Raleigh. Thirty-nine percent of all households spent more than 30 percent of their income on housing, including 5 percent who were severely cost burdened. Fifty-eight percent of those paying 30 percent or more were renters. However, renters composed only 28 percent of those paying 50 percent or more for housing.

Table A-23 shows that those making 51 to 60 percent of AMI represent approximately one-third of low-income families. Renters have a slightly higher percentage of cost burdens than owners at 57 and 53 percent, respectively. Among renters, the elderly and single and non-related renter households experienced the most significant hardships with housing costs. Over 70 percent of elderly and single and non-related renter households spent more than 30 percent of their incomes on housing. Elderly renter households were the only renters to have noticeable severe cost burdens at 32 percent. Additionally, 71 percent of non-elderly owner households had cost burdens, including 21 percent spending over 50 percent of AMI on housing.

***Elderly Households***
Raleigh's elderly population generally fares better than other households experiencing housing problems, except for the low-income group (51 to 80 percent of AMI). As with other households, those with the lowest incomes have the greatest housing problems. Sixty-five percent of extremely-low-income elderly renters spent 30 percent or more on housing compared to 72 percent of ELI elderly owners. This included 43 percent of elderly renters spending 50

percent or more on housing compared to 48 percent of owners. For other income levels, elderly renter households had a greater percentage of those with housing problems than did owners. This is particularly true for elderly renter households earning between 31 and 40 percent of AMI.

There are a number of reasons for these elderly household patterns. Elderly households as a whole typically have lower incomes and smaller households than non-elderly households, and pay a higher share of their income on housing. While elderly homeowners often have paid their mortgages in full, they still bear the burden of utilities and home maintenance costs. In many instances, these households have more square footage than is necessary for their lifestyles, but do not downgrade to smaller units for various reasons. They are also very susceptible to predatory lenders charging higher-than-average interest rates for conventional home purchases or second mortgages.

***Large-Family Renter Households***

In Raleigh, a significant number of large-family renter households at all income levels had housing problems other than cost burdens. Among Raleigh's ELI households, thirteen percent of large-family extremely-low-income households had housing problems relating to overcrowding or the physical deterioration of the dwelling unit. For VLI and LI households, percentages respectively ballooned to 36 percent and 61 percent. **Overcrowding is undoubtedly the predominant problem among those with housing problems other than cost burdens. Just under 900 large families with incomes below 80 percent of AMI reported overcrowded and other non-cost housing problems.** This underscores the need for new low-income rental developments to include some large units of three or more bedrooms. Because these households are not cost burdened, some may qualify for homeownership, which would better serve their need for more square footage.

***First-Time Homebuyers***

Seventy-eight percent (27,782) of renter households making above 50 percent of AMI do not have housing problems. An additional 2,270 renter households live in overcrowded or physically deteriorated housing units, but are not cost burdened. These households are potential candidates for first-time homebuyer incentives and programs offered through the City and other funding agencies. Flexible zoning initiatives that offer incentives for developers to include some affordable units in their developments could increase the supply of housing for this population.
Among these households are some renters by choice, who rent housing because they plan to be in the area for a short time, or because they do not want the burden of home maintenance. More often, these households have inadequate incomes to qualify for market-rate mortgages, lack of savings for a downpayment and closing costs, or have credit problems that prevent their qualifying for a mortgage.

# IV. Minority Housing Needs

Housing needs vary significantly by race and ethnicity in the Research Triangle area. Section I of this report discussed income level by ethnic background, noting certain groups that were disproportionately impacted. Specifically, these included low-to-moderate income African-American, Hispanic, and Native American households with incomes significantly below those of White households. This section explores trends in minority homeownership rates and housing problems from 1990 to 2000 to identify needs and target appropriate assistance.

## *Homeownership*

Minority homeowners in Raleigh nearly doubled in number from 1990 to 2000, increasing by 6,129 households (see Figure 36 on following page). African-American and Asian/Pacific Islander households saw the greatest increase in homeownership by approximately 7.5 percentage points for each. The same trend held true for both the county and MSA. Among Hispanic households in Raleigh, there was a pronounced decline in homeownership of 12 percentage points since 1990. Note that the Census restructured its classification of Hispanic origin since 1990, so the comparison among years may not be wholly consistent. Regardless, Hispanic homeowners reflect the smallest percentage of minority homeowners for 2000. Any growth in the number of Hispanic homeowners over the 10-year period was offset by the large influx of Hispanic renter households. Again, the county and MSA show similar results. Overall, minority homeownership appears to be on a steady rise, although there remains a noticeable disparity compared to White households.

**As of 2000, there were 9,353 minority renter households making above 50 percent of AMI that do not have housing problems**. By ethnicity, this includes 965 Asian renter households, 55 Native American renter households, 7,445 African-American renter households, and 869 Hispanic renter households. These households are strong candidates for first-time homeowner incentives and programs.

**Figure 36: Homeownership Rates by Ethnicity, 1990 & 2000**

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 1990 | 2000 | 1990 | 2000 | 1990 | 2000 |
| **White Households** | 63,487 | 76,760 | 131,879 | 182,635 | 216,854 | 334,842 |
| Percent Homeowners | 53.1% | 59.3% | 66.1% | 72.2% | 64.7% | 71.3% |
| **Non-White Households** | 23,169 | 38,747 | 35,419 | 64,474 | 73,299 | 137,686 |
| Percent Homeowners | 29.4% | 33.4% | 40.8% | 44.7% | 41.0% | 44.3% |
| **African-American Households** | 20,368 | 28,430 | 30,508 | 45,091 | 65,036 | 99,296 |
| Percent Homeowners | 29.3% | 36.5% | 40.3% | 47.5% | 41.2% | 48.9% |
| **Hispanic Households** | 834 | 4,579 | 1,555 | 8,073 | 2,506 | 16,984 |
| Percent Homeowners | 31.5% | 19.4% | 41.8% | 30.7% | 39.5% | 27.0% |
| **Asian or Pacific Islander Households** | 1,576 | 3,018 | 2,436 | 6,726 | 4,176 | 11,197 |
| Percent Homeowners | 30.9% | 38.6% | 49.2% | 53.2% | 40.6% | 45.3% |
| **Native American Households** | 139 | 333 | 402 | 718 | 703 | 1,584 |
| Percent Homeowners | 30.9% | 36.9% | 45.0% | 52.8% | 49.1% | 52.0% |
| **Other Households** | 252 | 2,387 | 518 | 3,866 | 878 | 8,625 |
| Percent Homeowners | 18.3% | 16.8% | 24.3% | 25.0% | 23.7% | 23.5% |

Source: US Census 1990 & 2000; Bay Area Economics, 2005

## *Home Mortgage Lending to Minority Borrowers*

Figure 37 presents the number of loans approved for minority homebuyers in the Raleigh-Durham-Chapel Hill MSA in 2003, as compared to the MSA's minority population. Both Hispanic and African-American borrowers received a total number of mortgage loans that are half what their population would indicate.

Native Americans, Asian/Pacific Islanders, and other races received mortgage loans in proportion to or better than their numbers in the MSA.

**Figure 37: Minority Borrowers: Home Purchase Mortgages in Raleigh MSA, 2003**

| Borrower Race/Ethnicity | Number of Loans Approved | Number of Loans as Percent of Total | Population in MSA* | Percent of Total Population |
|---|---|---|---|---|
| Native American | 104 | 0.4% | 3,497 | 0.3% |
| Asian/Pacific Islander | 1,025 | 4.3% | 34,429 | 2.9% |
| African-American | 2,605 | 11.0% | 267,789 | 22.5% |
| Hispanic | 705 | 3.0% | 72,580 | 6.1% |
| Other/Mixed | 294 | 1.2% | 15,932 | 1.3% |

| | | | | |
|---|---|---|---|---|
| Total Minority | 4,730 | 20.0% | 394,227 | 33.2% |
| White | 18,868 | 80.0% | 793,714 | 66.8% |
| **Total** | **23,598** | | **1,187,941** | |

Note: Lending institutions not operating in any metropolitan area are excluded from HMDA data.
Source: Home Mortgage Disclosure Act 2003, US Census 2000; Bay Area Economics, 2005.

Figure 38 examines the number of home purchase loan denials of minority borrowers in relation to their total population in the MSA. Overall, home purchase loan denials to minorities were 14.2 percentage points higher than what their population would indicate. Individually, African-Americans and Hispanics revealed the largest disparities in percentage points at 7.3 and 4.2, respectively.

**Figure 38: Minority Borrowers: Home Purchase Loan Denials in Raleigh MSA, 2003**

| Borrower Race/Ethnicity | Total Applications Denied | Number of Denials as Percent of Total | Population in MSA* | Percent of Total Population |
|---|---|---|---|---|
| Native American | 25 | 0.9% | 3,497 | 0.3% |
| Asian/Pacific Islander | 95 | 3.3% | 34,429 | 2.9% |
| African-American | 853 | 30.1% | 267,789 | 22.5% |
| Hispanic | 293 | 10.3% | 72,580 | 6.1% |
| Other/Mixed | 80 | 2.8% | 15,932 | 1.3% |
| Total Minority | 1,346 | 47.4% | 394,227 | 33.2% |
| White | 1,492 | 52.6% | 793,714 | 66.8% |
| **Total** | **2,838** | | **1,187,941** | |

Note: Lending institutions not operating in any metropolitan area are excluded from HMDA data.
Source: Home Mortgage Disclosure Act 2003, US Census 2000; Bay Area Economics, 2005.

***Reasons for Conventional Home Purchase Denials by Ethnicity***
The HMDA database documents several reasons for denials of conventional home-purchase loans including the following:

- Credit history
- Debt-to-income ratio
- Employment history
- Collateral
- Insufficient cash
- Unverifiable information
- Incompleteness of credit application
- Denial of mortgage insurance
- Other

Only the top four most prevalent reasons were included in Figure 39 for comparison among ethnicity. Therefore, their sums do not equal the total number of applications denied, which is inclusive of all the reasons referenced above. Credit history proved the most common reason for loan denials, regardless of ethnicity.

| Figure 39: Reasons for Denial of Home Purchase Loans in Raleigh MSA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Borrower Race/Ethnicity** | **Credit History** | | **Debt-to-Income Ratio** | | **Credit Appl. Incomplete** | | **Other** | | **Total Applications Denied** |
| | **No.** | **%** | **No.** | **%** | **No.** | **%** | **No.** | **%** | |
| Native American | 5 | 20% | 4 | 16% | 1 | 4% | 8 | 32% | **25** |
| Asian/Pacific Islander | 22 | 23% | 14 | 15% | 7 | 7% | 19 | 20% | **95** |
| African-American | 290 | 34% | 149 | 17% | 45 | 5% | 194 | 23% | **853** |
| Hispanic | 113 | 39% | 42 | 14% | 11 | 4% | 80 | 27% | **293** |
| Other/Mixed | 25 | 31% | 9 | 11% | 4 | 5% | 18 | 23% | **80** |
| Total Minority | 455 | 34% | 218 | 16% | 68 | 5% | 319 | 24% | **1,346** |
| White | 419 | 28% | 245 | 16% | 107 | 7% | 355 | 24% | **1,492** |

Note: Lending institutions not operating in any metropolitan area are excluded from HMDA data.

Source: Home Mortgage Disclosure Act 2003, US Census 2000; Bay Area Economics, 2005.

### *Housing Problems*

Table 4 reveals trends in housing problems by ethnicity from 1990 to 2000 for the Raleigh region. In 2000, nearly one-third of the city's households had housing problems, a 1.2-percentage-point increase since 1990. Trends indicate that minority households in Raleigh were disproportionately impacted in their housing problems over the 10-year period compared to White households. The percentage point differences are quite evident with the shares of African-American and Hispanic households with housing problems 15.4 and 40.9 points higher, respectively, than White households. For both 1990 and 2000, two out of every five African-American households has housing problems. **In particular, Hispanic households with housing problems jumped dramatically from 34.0 percent in 1990 to 66.0 percent in 2000. This increase is largely due to the enormous growth of this population in the past decade. However, the data also suggest that a significant portion of this in-migration consisted of families with lower incomes or in overcrowded or physically deteriorated housing.** The county reveals similar trends in its housing problems, although its percentages are less than the city.

## Figure 40: Housing Problems by Ethnicity, 1990 & 2000

| | Raleigh | | Wake County | |
|---|---|---|---|---|
| | 1990 | 2000 | 1990 | 2000 |
| **White Households** | 62,593 | 74,905 | 130,604 | 179,000 |
| Percent with any Housing Problems | 25.7% | 25.1% | 23.1% | 22.1% |
| **African-American Households** | 20,535 | 28,265 | 30,611 | 44,884 |
| Percent with any Housing Problems | 41.7% | 40.5% | 39.7% | 39.0% |
| **Hispanic Households** | 814 | 4,571 | 1,562 | 8,087 |
| Percent with any Housing Problems | 34.0% | 66.0% | 33.9% | 58.0% |
| **Asian or Pacific Islander Households** | n/a | 3,003 | n/a | 6,701 |
| Percent with any Housing Problems | n/a | 39.7% | n/a | 32.7% |
| **Native American Households** | n/a | 304 | n/a | 667 |
| Percent with any Housing Problems | n/a | 54.3% | n/a | 36.4% |
| **Total Households** | 85,813 | 112,548 | 165,760 | 242,009 |
| Percent with any Housing Problems | 30.2% | 31.4% | 26.6% | 27.0% |

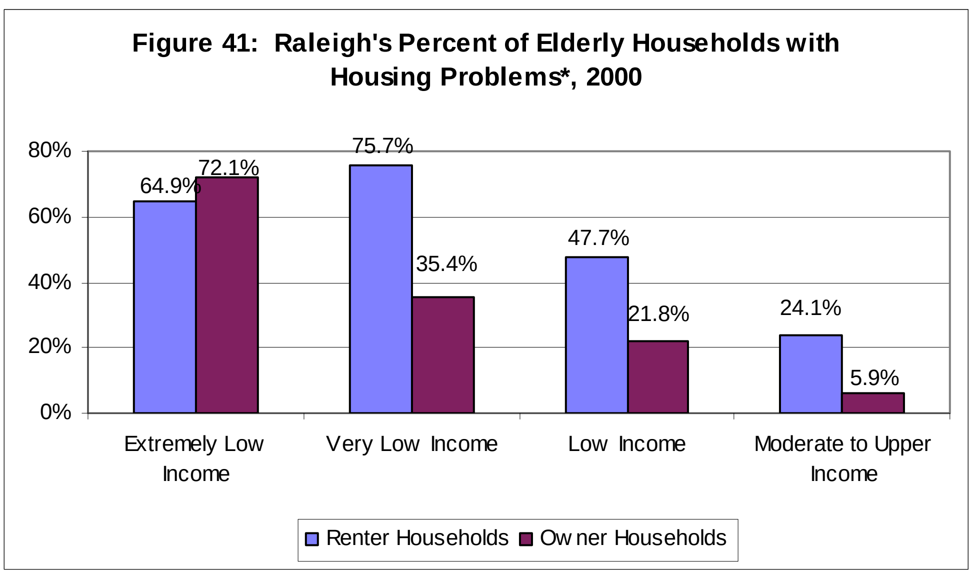
*Note: Numbers of specific ethnic households may not be identical to previous table due to varying source data.
Source: Comprehensive Housing Affordability Strategy Databook; Bay Area Economics, 2005.

# V. Special Needs Population

The city has several special needs populations with particular housing needs, including elderly, frail elderly, and persons with sever mental and physical disabilities. Households may have one or more persons with these special housing needs.

***Elderly***

This population includes those persons 65 years of age or older, with incomes up to 80 percent of AMI, spending more than half of their incomes on housing (see Table A-28). As Figure 41 indicates, very-low-income renter elderly households (between 30 and 50 percent of the AMI) experienced the highest percentage of housing problems at 75.7 percent, followed by extremely-low-income elderly renters and owners alike. Housing problems tend to decrease as income increases. For the elderly, the high percentage of cost burdens is usually due to dependency on insufficient Social Security Income, pensions or personal retirement accounts. There is a noticeable difference among very-low-income elderly owners who are cost burdened (35 percent) and all other households in the same income group (83 percent). This is likely because many more elderly households have no monthly mortgage payments as compared to other households. See Table A-28 for a summary of elderly residents with housing problems.




*Defined as severe cost burdens, overcrowding, or physical defects

Source: Comprehensive Housing Affordability Strategy Databoook; Bay Area Economics, 2005

***Frail Elderly***

Frail elderly is defined as those individuals 65 years of age or older with two or more "personal care limitations". These are physical or mental disabilities that substantially limit one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying. Frail elderly often require some type of supportive living arrangement such as an assisted living community, skilled nursing facility, or an independent living situation with in-home health care.

Raleigh had 4,644 frail elderly residents in 2000 –12.5 percent of the total disabled population. Not all frail elderly persons require specialized housing; some receive care in their homes from their spouses or children. Discounting for elderly in institutionalized settings, total frail elderly population drops to 3,713 persons. With 1.4 elderly persons per households and 49 percent of elderly households making less than 80 percent of AMI, BAE estimates that 1,263 elderly households making less than 80 percent of AMI are headed by frail elderly. Currently, 23.5 percent (3,875) of all elderly households with incomes less than 80 percent of AMI have housing problems. Applying the same percentage to frail elderly households, there are 296 frail elderly with incomes less than 80 percent of AMI and housing problems, who should be targeted for housing assistance.

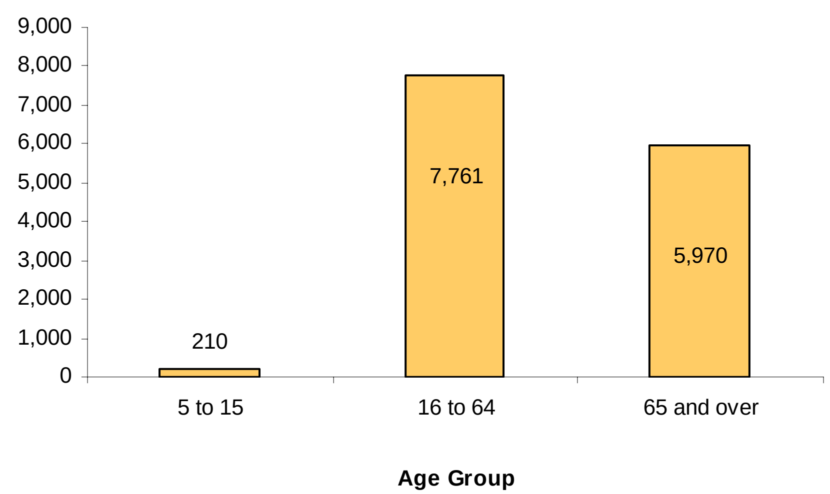
***Persons with Disabilities***

The 2000 U.S. Census presents an array of data on those with sensory, physical, mental, self-care, go-outside-home, and employment disabilities. North Carolina shows almost 2.8 million individuals having one of these disabilities, of which about 1.1 million have either mental or physical impediments. The total number of the Raleigh's mentally and physically disabled population is 23,135 individuals (8 percent of the city's total population). The subsections below look deeper into these two types of disabilities to examine whether specialty housing is warranted for these special needs populations.

*Persons with Physical Disabilities*

The Census defines persons with physical disabilities as those with a condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying. This definition encompasses a wider spectrum of people, including those in wheelchairs or in need of a mobility device for support. This also includes those with sensory or respiratory discrepancies that impair short-term or long-term mobility. The definition also includes those who require assistance with dressing or eating.

**Figure 42: Persons with Physical Disabilities by Age for Raleigh, 2000**




Source: US Census 2000; Bay Area Economics, 2005

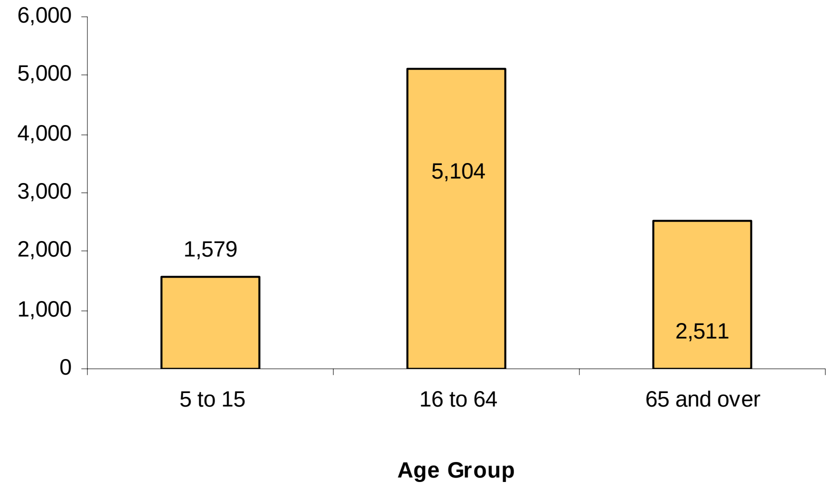
Table A-29 provides 2000 U.S. Census data on persons with physical disabilities by age for all jurisdictions. Raleigh had 13,941 physically disabled individuals (5 percent of the entire city population). The county and MSA both have similar percentages of disabled residents. Not including those in institutions, the total physically disabled population decreases to 9,069. Using a national standard of 10 percent of those with physical disabilities, there are 907 persons in the city that use wheelchairs.

Earlier in this report (see *Income Distribution by Jurisdiction*), it was revealed that 40 percent of the region's households have incomes of 80 percent of AMI or less. This percentage is likely to be much higher among persons with physical disabilities due to the limitations such disabilities put on securing employment. The region's 907 non-institutionalized residents who need accessible housing are estimated to live in 825 households, assuming 1.1 disabled persons per disabled household. BAE estimates that 65 percent of Raleigh's households with persons who have physical disabilities live in renter households with incomes of less than 80 percent of the AMI. **This means that at least 536 affordable rental units with wheelchair accessibility are needed**. The Raleigh Housing Authority provides 82 wheelchair accessible public housing units.

*Persons with Mental Disabilities*

The U.S. Census defines persons with mental disabilities as those with a condition that substantially limits one or more basic mental activities such as learning, remembering, and concentrating. This definition is quite broad, encompassing all types of individuals with varying degrees of mental ability. Table A-30 provides data on persons with mental disabilities by age for all jurisdictions. There are a total of 9,194 persons with mental disabilities, representing 3 percent of the population. Those aged 16 to 64 years again made up the majority in Raleigh at 55.5 percent. However, unlike those physically disabled, those mentally disabled aged 65 years of age or older comprised a comparatively smaller 27.3 percent, followed by 17.2 percent of those aged 5 to 15 years.

Figure 43: Persons with Mental Disabilities by Age for Raleigh, 2000




Source: US Census 2000; Bay Area Economics, 2005

In 2002, the North Carolina Division of Mental Health, Developmental Disabilities, and Substance Abuse Services conducted a census of 7,568 "active" adult clients with mental health, developmental disabilities, and substance abuse addictions for Wake County Human Services. This accounted for 48 percent of the county's total mentally disabled adult population in 2000. BAE estimates that 10 percent (757) of these active adults have serious, persistent mental health (SPMI). Applying the same approximation to Raleigh's active adult population (3,716 persons), there are 372 persons with SPMI. BAE estimates that roughly one-third of these individuals need specialized housing with supportive services.

**Figure 44: Housing Needs and Supply for People with Serious, Persistent Mental Illness (SPMI)**

| | Raleigh |
|---|---|
| Estimated Persons with SPMI | 372 |
| Number Needing Assistance | 123 |
| Source: Bay Area Economics, 2005 | |

*Persons with Developmental Disabilities*

According to the North Carolina Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (mental handicap), 546 adults have developmental disabilities in Wake County in 2002 (7.2 percent of the county's total 2000 mentally disabled population). Seven percent of Raleigh's estimated 3,716 active adult population equates to 266 persons with developmental disabilities. Based on past trends, BAE estimates that 15 percent of the developmentally disabled have a need for supportive housing. Figure 45 summarizes the unmet housing needs for persons with developmental disabilities.

| Figure 45: Housing Needs for the Developmentally Disabled | |
|---|---|
| | **Raleigh** |
| Estimated Persons with Developmental Disabilities | 266 |
| Number Needing Assistance | 40 |
| Source: Bay Area Economics, 2005 | |

*Persons with Alcohol or Substance Abuse Problems*
Individuals with chemical dependencies are often unable to maintain permanent housing. Without supportive services to help them beat their addictions, many are at risk of becoming homeless.

The 2002 National Survey on Drug Use and Health conducted by the Federal Substance Abuse and Mental Health Services Administration (SAMHSA) provided data that 2.85 percent of North Carolinians aged 12 or over needed but were not receiving treatment for illicit drug use during the previous year. Illicit drugs included marijuana/hashish, cocaine (including crack) inhalants, hallucinogens, heroin or prescription-type psychotherapeutics (non-medical use). Applying this percentage to Raleigh's population would imply 8,175 individuals needing but not receiving treatment for illicit drug use. Not all of these individuals are homeless, but many would benefit from supportive housing.

Also reported was the 6.87 percent of North Carolinians who needed but did not receive treatment for alcohol use in the previous year. Assuming that the percentage applies to Raleigh, this implies that as many as 18,349 Raleigh residents need treatment for alcohol abuse. Many of these individuals are able to maintain a job and a home or live with someone who does. Wake County reported an active clientele of 2,698 persons with substance abuse addictions in 2002 (36 percent of its total active adult mentally disabled clientele). Using the same ratio, there are 1,321 Raleigh residents that need either alcohol or drug treatment and who have housing needs.

*Persons with HIV/AIDS*
The North Carolina Epidemiologic Profile for 2005 HIV/STD Prevention and Care Planning[16] reports that the total number of individuals with HIV disease in 2003 was 25,813. Note that this number reflects only reported cases and, thus, was not inclusive of all incidences. In 2003 alone, 2,100 new individuals were reported with HIV for the state, the highest annual report since 1995. Examining the state by county, the distribution of HIV disease is uneven due in part to population numbers. The highest concentrations of HIV disease tend to be in urban areas, although the State has reported a significant rural component. Wake County, the second most populated county in the state, was one in four North Carolina counties to report over 100 HIV disease cases (299) in 2003. As of 2004, Wake County had 1,784 living cases of HIV disease. Of these, 82 percent (1,470) were listed as living in Raleigh, according to the North Carolina Division of Health. BAE estimates that 10 percent of this population (147 persons) is in need of housing.

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[16] Foust, Evelyn, et. al. North Carolina Epidemiologic Profile for 2005 HIV/STD Prevention and Care Planning. NC Department of Health and Human Services, October 2004 <http://www.epi.state.nc.us/epi/hiv/pdf/profile2005.pdf>

The Alliance of AIDS Services provides various resources for persons living with AIDs and HIV. Client support services include, but are not limited to, a food pantry, financial assistance, transportation to medical appointments, support groups, and referrals for affordable housing. In addition, Humstead House in Raleigh offers five beds for those with AIDS or HIV in need of constant personal care.

**Figure 46 (HUD Table 1B): Special Needs (Non-Homeless) Population**

| Special Needs Populations | Priority Needs Level (High, Medium, Low) | Unmet Needs | Dollars to Address Unmet Needs | Goals* |
|---|---|---|---|---|
| Elderly | M | 3,875 | 317,750,000 | |
| Frail Elderly | H | 296 | 24,272,000 | |
| Severe Mental Illness | H | 123 | 10,086,000 | |
| Developmentally Disabled | H | 40 | 3,280,000 | |
| Physically Disabled | H | 454 | 37,228,000 | |
| Persons with Alcohol/ Other Drug Addictions | H | 1,321 | 108,322,000 | |
| Persons with HIV/AIDS | H | 147 | 12,054,000 | |
| Others | M | | | |
| Total | | 6,256 | 512,992,000 | |

Source: US Census, 2000; Comprehensive Housing Affordability Strategy Databook, 2000; Claritas, Inc. 2000

*Note: Projections cannot be made since the City makes funds available in annual competitions that may or may not include housing for these groups. All groups above are in Priority One for the City's housing programs.

*Homeless Population*

Wake County Continuum of Care provided an analysis of their homeless population and subpopulations as shown in Figure 47. Currently, 43 percent (539) of the total homeless population reside in transitional housing. Transitional housing facilities ease the movement of homeless families and individuals to permanent housing. Persons can live from 4 up to 24 months in transitional housing, receiving supportive services for more independent living. Hence, these individuals and families will need regular subsidized or affordable housing in the near-term. Outside of the chronically homeless, approximately 450 individuals and families will ultimately need housing.

| Figure 47: Continuum of Care Homeless Population and Subpopulation | | | | |
|---|---|---|---|---|
| **Homeless Population** | **Sheltered** | | **Unsheltered** | **Total** |
| | Emergency | Transitional | | |
| Individuals | 413 | 310 | 102 | 825 |
| Families with Children | 56 | 73 | 0 | 129 |
| Persons in Homeless Families with Children | 181 | 229 | 0 | 410 |
| **Total** | **594** | **539** | **102** | **1,235** |
| | | | | |
| **Homeless Subpopulations** | **Sheltered** | | **Unsheltered** | **Total** |
| Chronically Homeless | 210 | | 30 | 240 |
| Severely Mentally Ill | 362 | | | |
| Chronic Substance Abuse | 689 | | | |
| Veterans | 90 | | | |
| Persons with HIV/AIDs | 17 | | | |
| Victims of Domestic Violence | 411 | | | |
| Youth (Under 18 years of age) | 20 | | | |

Source: Wake County Continuum of Care, 2003; Bay Area Economics, 2005

# VI. Five-Year Projections

The earlier section on "*Population and Households*" discussed projections through 2009. As previously stated, Raleigh's population and number of households are projected to grow more rapidly than in the previous decade. Based on recent trends, an annual increase of approximately 4.0 percent from 2004 to 2009 is expected. This growth translates into 22,500 new households that will require housing in the region by 2009. Additionally, the average household size is expected to continue increasing over the next five years to 2.33 persons in Raleigh, 2.54 in Wake County, and 2.50 in Raleigh-Durham-Chapel Hill MSA. This increase primarily relates to the Triangle region's attractiveness to families with children.

The income projections provided by Claritas, Inc. show an increase in Raleigh's median income of 12.3 percent over the next five years, with slight decreases in the number and percentage of households in all income brackets below $50,000, and increases above that income level (Table A-7). Wake County and Raleigh-Durham-Chapel Hill MSA projections mirror those of the city with median incomes projected to increase by 12.9 percent and 13.1 percent, respectively. Much of these increases in income will likely be due to inflation instead of real income growth. The small decrease in the lower income groups across the region will not significantly reduce the housing needs of extremely-low- and very-low-income households. Rather, it suggests that the rate of increase in the number of households making more than $50,000 in the next five years will outpace those making less than $50,000. Would-be homeowners in the low- and moderate-income groups are also likely to find house prices continuing to outstrip their growth in income. **Housing affordability will therefore remain an issue for all below-median income groups in Raleigh, especially for those on the lower end of the spectrum.**

***Additional Projections***

The Capital Area Metropolitan Planning Organization (CAMPO) has issued population, housing unit, and employment projections through 2030. Using the Raleigh's January 2005 population estimate as a base (see *Section I: Population and Households*), annual population increase over the next 25 years will average about five percent. Wake County will have nearly 1.4 million residents by 2030 and its average annual increase since 2002 will be about 8.8 percent. Both housing units and employment in Raleigh are expected to increase by more than 50 percent by 2030 and more than double in Wake County. CAMPO has prepared a series of maps that coincide with its projected data on growth (see Appendix B). For population and housing units, the Triangle area shows very widespread growth moving to all edges of Wake County by 2030. The densest regions will continue to be areas within the I-440 beltline and western portions of the county in proximity to the Research Triangle Park. CAMPO's 2002 map of employees reveals much concentration within the I-440 Beltline and along major highway corridors. This trend is expected to continue over the next 25 years with dense employment centers near the Durham/Wake County boundary line (heart of the Research Triangle Park) and new business development stretching along US 64, Route 1, and Interstate-40.

# VII. Housing Program Analysis and Recommendations

The following report analyzes a variety of housing programs offered by the City of Raleigh Department of Community Development and recommends changes to those programs.

***Very Low and Low Income Renters***
**Income Target:** 30-60 percent of median income ($21,400 - $39,650)
**Programs:** City Owned Housing, Joint Venture Rental, SRO housing Development, Investor Rehabilitation Loans, and Tax Credit Projects.
**Funding Sources (including match):** HOME and Bond Issue

*General Analysis*
The current vacancy rates, absorption rates and the fact that many new units are coming on line or are proposed suggest the Very Low and Low Income Renter Program should be revised to target a lower income population. An analysis of affordability, by family size, provides guidance for potential program revisions.

Figure 48: Rental Affordability Index

| | Income as Percent of AMI | | | | |
|---|---|---|---|---|---|
| | 30% | 40% | 50% | 60% | 80% |
| **Two-Person Families** | | | | | |
| Annual Income | $17,100 | $22,800 | $28,500 | $34,200 | $45,650 |
| Monthly Housing Expense @ 30% of Income | $428 | $570 | $713 | $855 | $1,141 |
| Average Available Rental Unit (1 Bedroom) | $656 | $656 | $656 | $656 | $656 |
| Affordability Gap | ($228) | ($86) | $57 | $199 | $485 |
| Average Available Rental Unit (2 Bedroom) | $779 | $779 | $779 | $779 | $779 |
| Affordability Gap | ($351) | ($209) | ($66) | $76 | $362 |
| | | | | | |
| **Three-Person Families** | | | | | |
| Annual Income | $19,250 | $25,680 | $32,100 | $38,520 | $51,350 |
| Monthly Housing Expense @ 30% of Income | $481 | $642 | $803 | $963 | $1,284 |
| Average Available Rental Unit (2 Bedroom) | $779 | $779 | $779 | $779 | $779 |
| Affordability Gap | ($298) | ($137) | $24 | $184 | $505 |
| Average Available Rental Unit (3 Bedroom) | $995 | $995 | $995 | $995 | $995 |
| Affordability Gap | ($514) | ($353) | ($192) | ($32) | $289 |
| | | | | | |
| **Four-Person Families** | | | | | |
| Annual Income | $21,400 | $28,520 | $35,650 | $42,780 | $57,050 |
| Monthly Housing Expense @ 30% of Income | $535 | $713 | $891 | $1,070 | $1,426 |
| Average Available Rental Unit (3 Bedroom) | $995 | $995 | $995 | $995 | $995 |
| Affordability Gap | ($460) | ($282) | ($104) | $75 | $431 |

Source: TDA, Inc., 2005.

Figure 48, the Rental Affordability Index, provides a clear picture of the highest need areas for affordable rental housing.  Most family sizes below 50 percent of median income are "cost burdened" in that they must spend more than 30 percent of their monthly income on housing expenses.

*Recommendations:*

City Owned Housing:

The stated purpose of the City Owned Housing program is the preservation of existing rental property, eliminating nuisance properties, eliminating slums and blight, the stabilization of distressed neighborhoods and the active encouragement of scattered site, mixed income housing, throughout the City.

Given current vacancy rates, landlords with deteriorated properties have little incentive to invest or rehabilitate their properties.  The City Owned Housing program allows the City to go after deteriorated properties that might continue to deteriorate due to the overall condition of the market or the location of the property.

The policy of acquiring existing units and targeting rents at or below 50 percent of AMI is a sound approach.

Jones Street Apartments City Rehabilitation Affordable Rental Housing


Joint Venture Rental:

The stated purpose of the Joint Venture Rental program is to increase the availability of affordable rental housing for low-income families earning less than 60 percent of median income.

As the Affordability Index clearly indicates, the Joint Venture Rental program should be targeted to units that serve families at or below 50 percent of median.   To obtain the leverage necessary to make this type of development feasible, most developers of units targeted to families below 50 percent of median income will be seeking Low-Income Housing Tax Credits.

The City should award additional points or consideration in the application process for developments that contain a certain percentage of units reserved for households below 40 percent of AMI[17]. The City does often partner with Wake County on rental development projects that include such a requirement because Wake County targets households below 40% AMI. Additional points or consideration should be awarded for developments that contain a certain percentage of units targeted at households above 60 percent of AMI.[18] Finally, additional points or consideration should be awarded to applicants that are rehabilitating existing properties.[19] The combination of these criteria should encourage mixed income development, encourage de-concentration of low and very low-income units, and encourage developers to rehabilitate existing properties.

Lennox Chase
Award winning
development for
formerly homeless
persons

SRO Housing Development:

The stated purpose of the SRO Housing Development program is to encourage the development of SRO's as a form of transitional housing to enhance the current continuum of care. No changes are recommended.

Rental Investment Properties Program:

The stated purpose of the Rental Investment Properties program is to encourage investors to acquire, rehabilitate, and place in service existing rental properties. The purpose of the Rental Investment Properties program dovetails with the stated purpose of the City Owned Housing program.

The City's Scattered Site policy limits the potential for supporting rehabilitation of existing developments of more than 50 units renting to low-income households without City Council approval. This restriction should be amended to encourage such renovations in order to preserve quality affordable housing.

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17 This criteria will complement the existing Low Income Tax Credit criteria of the North Carolina Housing Finance Agency regarding extra points for "High Income" counties and should be modified each year to assist developers seeking tax credits.

18 The current Qualified Allocation Plan permits 30 percent of the units to be market rate.

19 The North Carolina Housing Finance Agency also awards additional points for rehabilitation in the Low Income Tax Credit criteria.

Tax Credit Projects:

The current Qualified Allocation Plan ("QAP") for the Low Income Housing Tax Credit ("LIHTC") for the North Carolina Housing Finance Agency ("NCHFA") concentrates low income housing by favoring LIHTC developments that are 100-percent low-income. The City's stated objective is to de-concentrate low-income housing. HUD has consistently sought the de-concentration of low-income housing, particularly in the case of public housing and more recently in the Section 8 program. As a matter of policy, de-concentration provides many benefits to the City and very few risks. Mixed-income developments are, as has been previously noted, another form of de-concentration.

In addition, the development of mixed income projects reduces the overall subsidy per unit and the amount of LIHTC allocated to a given development while increasing project stability and achieving the objective of de-concentration. Therefore, the City, in cooperation with other jurisdictions, should seek an alteration in the QAP to either:

1. Accommodate jurisdictions which have a stated objective to de-concentrate low income housing; or
2. To encourage the development of mixed-income developments in "high income" areas by awarding additional points; or
3. To encourage the development of mixed-income developments in urban areas by awarding additional points.

The other issues related to the Tax Credit program were addressed under the Joint Venture Rental program.

***First-Time Homeowners***

**Income Target:** Up to 80 percent of median income (up to $56,500 for a family of four)

**Programs:** City-Wide Second Mortgage and Downtown Second Mortgage Programs; Joint Venture/CHDO Single Family New Construction, Purchase/Rehabilitation Programs, Homeownership Counseling

*General Analysis:*

The low-income family targeted by the City's homebuyer programs has an income below 80 percent of the median income. Figure 49 provides the Affordability Index for three- and four-person homebuyer families between 50 percent and 100 percent of median income at the City's program cap of $150,000.

| Figure 49: Homeownership Affordability Index | | | | |
|---|---|---|---|---|
| | **Income as Percent of AMI** | | | |
| | **50%** | **60%** | **80%** | **100%** |
| **Three-Person Families** | | | | |
| Annual Income | $32,100 | $38,520 | $51,350 | $64,200 |
| Monthly Housing Expense @ 28% of Income | $749 | $899 | $1,198 | $1,498 |
| Program Price Cap | $150,000 | $150,000 | $150,000 | $150,000 |
| Typical Required Downpayment @5% | $7,500 | $7,500 | $7,500 | $7,500 |
| Mortgage Amount | $142,500 | $142,500 | $142,500 | $142,500 |
| Rate | 6.5% | 6.5% | 6.5% | 6.5% |
| Term | 30 | 30 | 30 | 30 |
| Monthly Payment | $901 | $901 | $901 | $901 |
| Affordability Gap | ($152) | ($2) | $297 | $597 |
| | | | | |
| **Four-Person Families** | | | | |
| Annual Income | $35,650 | $42,780 | $57,050 | $71,300 |
| Monthly Housing Expense @ 28% of Income | $832 | $998 | $1,331 | $1,664 |
| Program Price Cap | $150,000 | $150,000 | $150,000 | $150,000 |
| Typical Required Downpayment @5% | $7,500 | $7,500 | $7,500 | $7,500 |
| Mortgage Amount | $142,500 | $142,500 | $142,500 | $142,500 |
| Rate | 6.5% | 6.5% | 6.5% | 6.5% |
| Term | 30 | 30 | 30 | 30 |
| Monthly Payment | $901 | $901 | $901 | $901 |
| Affordability Gap | ($69) | $97 | $430 | $763 |

Source: TDA, Inc., 2005.

The affordability gap at 50 percent of median income translates into an equity buy-down by the City of $17,575 for a family of three and $3,758 for a family of four.[20] The total amount of subsidy needed is likely to exceed program limitations if the family is at or near 50 percent of median income.

The cash necessary to close is outlined in Figure 50. Most mortgage loans allow a 5-percent downpayment, of which up to 2 percent may be a "gift". Thus, each buyer of a $150,000 house must come "out of pocket" for at least $4,500. As Figure 50 demonstrates, the City's first-time homebuyer programs provide adequate funds to cover the downpayment and closing cost gap for buyers at 60 to 80 percent of area median income.

[20] An equity buy-down is the amount of up-front equity (only) the City would need to provide for the family to have an affordable monthly payment.

| Figure 50: Cash to Close Index | | | | |
|---|---|---|---|---|
| | Income as Percent of AMI | | | |
| | 50% | 60% | 80% | 100% |
| **Three-Person Families** | | | | |
| Annual Income | $32,100 | $38,520 | $51,350 | $64,200 |
| Monthly Housing Expense @ 28% of Income | $749 | $899 | $1,198 | $1,498 |
| Program Price Cap | $150,000 | $150,000 | $150,000 | $150,000 |
| Typical Required Downpayment @5% | $7,500 | $7,500 | $7,500 | $7,500 |
| Mortgage Amount | $142,500 | $142,500 | $142,500 | $142,500 |
| Typical Closing Costs @4% of Mortgage | $5,700 | $5,700 | $5,700 | $5,700 |
| Total Cash to Close | $13,200 | $13,200 | $13,200 | $13,200 |
| Cash to Close as a Percent of Income | 41.1% | 34.3% | 25.7% | 20.6% |
| | | | | |
| **Four-Person Families** | | | | |
| Annual Income | $35,650 | $42,780 | $57,050 | $71,300 |
| Monthly Housing Expense @ 28% of Income | $832 | $998 | $1,331 | $1,664 |
| Program Price Cap | $150,000 | $150,000 | $150,000 | $150,000 |
| Typical Required Downpayment @5% | $7,500 | $7,500 | $7,500 | $7,500 |
| Mortgage Amount | $142,500 | $142,500 | $142,500 | $142,500 |
| Typical Closing Costs @4% of Mortgage | $5,700 | $5,700 | $5,700 | $5,700 |
| Total Cash to Close | $13,200 | $13,200 | $13,200 | $13,200 |
| Cash to Close as a Percent of Income | 37.0% | 30.9% | 23.1% | 18.5% |

Source: TDA, Inc., 2005.

However, when taken together with an equity buy-down, families at or near 50 percent of median income will exceed program guidelines.

Currently, the City-Wide Second Mortgage program serves the subsidy needs of families at 60 – 80% of area median income with the $20,000 maximum second mortgage. Expanding the program to those at 50 percent of median income would require a total subsidy of $26,275[21]. The City currently serves this end of the market through partnerships with nonprofit groups such as Habitat for Humanity.

*Recommendations*

City-Wide Second Mortgage Program

The stated purpose of the City-Wide Second Mortgage program is to increase the homeownership rate, especially among lower-income and minority households. The program appears to be appropriately targeted, but there is a question of sustainability that requires either establishing a minimum income needed to qualify for the program, or an increase in the allowable subsidy for lower income populations.

[21] Equity buy-down of $17,575 plus downpayment and closing costs of $13,200, less required buyer's downpayment of $4,500 leaves $26,275 as the total subsidy needed.

As currently targeted, the City-Wide Second Mortgage program creates a sustainability problem at year six and beyond for families between 50 and 60 percent of median income. Figure 51 demonstrates the sustainability problem.[22] While the family is expected to be able to absorb the relative small increases of about $100 a year in expenses for the first five years. The increase in year six of nearly $1,000 caused by the second mortgage will create economic pressure on the family. The prime difficulty is the reality that families below 80 percent of median income generally see their wages or income rise at the rate that is less than the rate of inflation.

Figure 51: Sustainability

| | | | | | | |
|---|---|---|---|---|---|---|
| Assumed Second Mortgage | | $20,000 | | | | |
| Principal Payment (Years 1 through 5) | | $1,500 | | | | |
| Principal Balance at End of Year 5 | | $18,500 | | | | |
| Term | | 25 | | | | |
| Rate | | 4.0% | | | | |
| Payment | | $1,172 | | | | |
| | | | | | | |
| Appreciation Rate | | 2.0% | | | | |
| Inflation Rate | | 3.0% | | | | |
| | | | | | | |
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 |
| Value | $150,000 | $153,000 | $156,100 | $159,200 | $162,400 | $165,600 |
| Tax Rate | 0.007 | 0.007 | 0.007 | 0.007 | 0.007 | 0.007 |
| Annual Taxes | $1,050 | $1,070 | $1,090 | $1,110 | $1,140 | $1,160 |
| Insurance Cost | $1,125 | $1,159 | $1,194 | $1,230 | $1,267 | $1,305 |
| Maintenance Cost | $1,500 | $1,545 | $1,591 | $1,639 | $1,688 | $1,739 |
| Second Mortgage | $300 | $300 | $300 | $300 | $300 | $1,172 |
| Total Annual Cost | $3,975 | $4,074 | $4,175 | $4,279 | $4,395 | $5,376 |
| Annual Dollar Increase | | $99 | $101 | $104 | $116 | $981 |
| Percent Over Base Year | | 2.5% | 5.0% | 7.6% | 10.6% | 35.2% |

Source: TDA, Inc., 2005.

Figure 49 shows that three- and four-person families at 60 percent of AMI and above have a built-in cushion to absorb the impact of the City-Wide Second Mortgage program at year six.

[22] Assumptions are conservative. Current appreciation rate is 3.36%. Tax rate in the chart is held flat, though appreciation increases taxes at a reasonable rate. Maintenance costs are below the recommended 1.5% of value annually.

A restriction to only serve families between 60 and 80 percent of area median income is justifiable on the grounds of long-term sustainability.[23] The current program does not have a lower limit but typically buyers below 60% AMI do not meet loan underwriting standards.


Downtown Homeownership (Second Mortgage) Program
The purpose of the Downtown Homeownership program is the same as the City-Wide Second Mortgage program with a specific target area and a broadened income eligibility.

For the reasons cited above (in the City-Wide program), the Downtown Homeownership program should be modified to correct the problems noted.

***Homebuyer or Homeowner Rehabilitation Program***
**Income Target:** 50 to 80 percent of median income (\$39,950 - \$57,050)
**Programs:** Deferred Payment Rehabilitation Loans and Rehabilitation Loans.
**Funding Sources (including match):** HOME and CDBG

*General Analysis:*
The purpose of the Homebuyer or Homeowner Rehabilitation program is to assist low and moderate-income persons with the purchase and/or rehabilitation of their homes.

The Homebuyer or Homeowner Rehabilitation program structurally meets the intended purpose. The only concern is the possibility of a significant reduction in funds available due to the proposed cut in CDBG funds.

*Recommendations:*
None.

***Elderly Homeowner Rehabilitation Program***
**Income Target:** 30-50 percent of median income (\$21,400 - \$35,650)
**Programs:** Deferred Payment Rehabilitation Loans, Resources for Seniors

**Funding Sources (including match):** HOME

*General Analysis:*
The purpose of the Elderly Homeowner Rehabilitation program is to assist elderly or disabled, low-income homeowners maintain safe and decent housing.

The Elderly Homeowner Rehabilitation Program serves a clearly defined need (housing preservation) within the community that will remain an ongoing need into the foreseeable future.

As with most programs of this type which utilize HOME funds, the program is generally staff-intensive both during rehabilitation and during the period after the death of the homeowner. The non-interest bearing loan structure, due and payable upon the death of the borrower, unless sold to another elderly or disabled person, insures the rehabilitated property will be sold, but not to a low-income family.

*Recommendations:*
Change the program purpose to reflect the reality. The program serves the disabled, as well as very low-income elderly.

Consideration should be given to allowing the transfer of the non-interest bearing loan to a buyer or single heir whose income does not exceed 80 percent of AMI.[24]

Rehabilitation completed through the Deferred Payment Loan Program for the elderly

[24] Such transfers are permitted under the HOME program.

***Special Populations (Homeless Housing)***
**Income Target:** 0-50% of median income ($0 - $35,650)
**Programs:** Single Room Occupancy (SRO, of efficiency apartments) Housing
**Source of Funds:** Bond

The stated purpose of the SRO Housing Development program is to encourage the development of small rental units as a form of transitional housing to enhance the current continuum of care. No changes are recommended.

***Limited Repair Program***
**Income Target:** 0-50 percent of median income ($0 - $35,650)
**Source of Funds**: Bond

The stated purpose of the Emergency Repair program is to assist qualified very low-income homeowners with emergency repairs that cost less than $5,000. No changes are recommended

Firm Foundations, a partner in rehabilitation, assists a client with the application

# VIII. Redevelopment Areas

Raleigh has nine Redevelopment Areas in 2005 and has targeted these areas for revitalization. For the sake of analysis two groups of two redevelopment areas were combined, yielding the following seven analysis areas: College Park/ Idlewild/New Bern/Edenton, Thompson Hunter, Downtown East, South Park, Garner Road, Saunders North, and Jamaica Drive. Each neighborhood has its unique set of strengths and weaknesses that pose as either opportunities or challenges to local economic and development forces. This section briefly examines the existing conditions of each redevelopment area and provides recommendations of appropriate strategies and considerations. As indicated in Table A-31 to A-33, data for some characteristics were not available specific to the redevelopment area and represent a larger geographic area, mainly composed of surrounding block groups.

## *Existing Conditions*

*College Park/Idlewild and New Bern/Edenton*

College Park/Idlewild and New Bern/Edenton had the largest 2004 population of all redevelopment areas at 1,201 persons. The larger area surrounding the neighborhood suffered a slight loss of 404 residents from 1990 to 2000. The median age of residents in College Park was older than that of the city at 37.5 years. The median household size was 2.36 persons, which was consistent with the city as a whole. The larger area had a median household income of $20,817, which was less than half of the 2000 median household income for the city. The area had a total of 613 residential units with an average size of 1,040 square feet. The neighborhood consisted of primarily older housing, as the average year built of residential units is 1942. Although the majority of units were single-family, there was a large concentration of renter-occupied housing.

*Thompson Hunter*

Almost equal to College Park/Idlewild and New Bern/Edenton in population, the Thompson Hunter redevelopment area had 1,164 inhabitants in 2004. Areas surrounding the neighborhood remained relatively flat in population during the 1990s. The median age of residents was 32 years, which is consistent with Raleigh. The median household size was 2.42. Median household income for this area was $22,500 with 35.5 percent of households below the poverty level. There were a total of 522 residential units in the neighborhood, 85.6 percent of which were single-family units. Like College Park, Thompson Hunter also had a large concentration of rental units at 72.1 percent. The average square footage of residential structures is 1,070. Much of the housing stock was built in the 1940s.

*Downtown East*

Downtown East's 2004 resident population was very small at 204 persons. Area population around Downtown East remained unchanged from 1990 to 2000. With a median age of 28.8 years and a median household size of one person, Downtown East appears to be attracting a younger population that enjoys urban living. Median household income for the area was $37,700, the second highest of all redevelopment areas. Despite this fact, the poverty rate was still substantial at 26.9 percent. Downtown East had a total of 229 residential units, only 26.2 percent of which are single-family units. Few to no single-family units is typical of urban downtowns with limited land for residential uses. Additionally, the Downtown East housing stock was an older housing stock with an average square footage of 579. Lastly, 56.0 percent of housing units were renter-occupied. A majority rental housing tenure is not unusual for downtown markets.

*South Park*

The South Park redevelopment area had 762 inhabitants in 2004, representing 21 percent of the total population in the seven redevelopment areas. Median age and median household size were almost identical to that of Thompson Hunter at 33.7 years and 2.42 persons, respectively. South Park had the lowest median household income of all redevelopment areas at $11,293, which coincided with its high poverty rate of 56.2 percent. The majority of its 427 residential units were single-family units with 71.4 percent being renter-occupied. The residential structures averaged 1,048 square feet, while the average year built was 1946.

*Garner Road*

The Garner Road redevelopment area, which extends along Garner Road south of Martin Luther King, Jr. Boulevard and east to the Raleigh Correctional Center for Women, includes a mix of industrial and residential uses. Garner Road's 2004 population consisted of 233 persons. The median age of Garner Road residents was 25.3 years, the youngest of all redevelopment areas, and median household size was similar to the city at 2.36 persons. The young median age suggested that some students with limited incomes were temporarily residing within this redevelopment area. Median household income for the area was $23,684 with a poverty rate consistent with other redevelopment areas. The 172 residential units in the 107-acre redevelopment area were predominantly single-family, although the percentage was lower than other redevelopment areas at 68.6 percent. The average square footage of residential structures was 967. The average year of residential units built was 1962. Lastly, the percentage of renter-occupied units was quite high at 87.0 percent.

*Saunders North*

Designated as a redevelopment area in 2004, the 22-acre Saunders North area had the second smallest 2004 population at 124 persons. Population in the areas around Saunders North doubled from 1990 to 2000. The median age of Saunders North residents was 31.5 years and the median household size was the largest of all redevelopment areas at 3 persons, indicative of a large number of families in the area. Saunders North also had the highest median household income at $39,471 and the lowest poverty rate at 15.3 percent. Of the 53 total residential units in the neighborhood, the majority were single-family units and renter-occupied. The neighborhood had a relatively old housing stock with the average year of residential units built being 1942. The average size of residential structures was 959 square feet. The area encompasses a mix of industrial, commercial and residential uses.

*Jamaica Drive*

The Jamaica Drive redevelopment area had a 2004 population of only six persons, indicating the predominance of vacant property and non-residential land uses within its boundaries. Surrounding areas steadily grew in population at 2 percent per year from 1990 to 2000. The median age of residents was 34.5 years and median household size was 1.6. The 15-acre Jamaica Drive redevelopment area had a median household income of $27,726 and the second highest poverty rate at 41.8 percent. There were only six residential units in the neighborhood, all of which were older, single-family units of approximately 967 square feet. The area, bounded by South Saunders Street, Western Boulevard and the McDowell-Dawson Connector, was certified as a redevelopment area in 1999. New housing is currently under development (Gateway Park Apartments) with Low-Income Housing Tax Credit funding.

***Redevelopment Area Strategies***

The Community Development Department has taken the lead in reinvesting in redevelopment areas to eliminate blight and revitalize neighborhoods for long-term economic sustainability. In such areas, housing rents and sales prices may not support the cost of new construction and, as importantly, the risks of development in these locations are too high for most private developers to be interested. Successful revitalization of neighborhoods subjected to many years of decline and disinvestment typically requires concentrated redevelopment. New investment often begets more reinvestment. As homeowners see their neighbors fixing up their houses, they are more inclined to fix up their own properties. Such signs of redevelopment give property owners confidence that their properties will increase in value as a result of their investment.

Revitalization can be inhibited by the condition of a few houses or businesses whose blighted status brings down the whole neighborhood. Selective acquisition and demolition or rehabilitation of these blighted properties is often the first and most effective step in encouraging neighborhood redevelopment.

Raleigh's redevelopment is driven by detailed redevelopment area plans prepared by the Planning Department for each designated area. The plans document existing conditions and then recommend specific improvements to streets, parks and other pubic infrastructure as well as future land uses. The Community Development Department takes the lead in acquiring properties through negotiated purchase or condemnation, typically focusing on a two- or three-block area. Contractors demolish the existing improvements and improve the sites for redevelopment according to the Redevelopment Area plans. Community Development then offers the sites to developers to build the specified types of housing. The predominant reuse has been small single-family houses. Lots can be sold one or two at a time or wholesale.

Community Development Block Grant (CDBG) funding for land assembly and improvements restricts the future uses. Seventy percent or more of new units must be for low- or moderate-income families. This restriction limits the potential for private development of market-rate units. It allows some mixing of incomes, but not as much as is generally thought to be desirable for long-term sustainability.

***Policy Recommendations***

Bay Area Economics' review of Raleigh's redevelopment area activity leads to eight key recommendations for future program planning:

- Concentrate resources
- Focus where the private sector will not
- Mix incomes, combining market-rate and affordable units

- Mix unit types and sizes
- Mix uses (residential and non-residential)
- Seek additional funding resources
- Concentrate on homeownership opportunities
- Continue to pursue partnerships

*Concentrate Resources*

The most effective revitalization programs concentrate their efforts geographically so as to transform an entire block at a time. The resulting stimulus for redevelopment is much stronger than that of a scatter-shot program of replacing single houses scattered throughout a neighborhood. Community Development has taken that approach in concentrating its land assembly, clearance and redevelopment efforts on two to three blocks at a time. The constraining factor has been the level of funding for acquisition, clearance and site preparation. Limited CDBG dollars require phasing area improvements over many years, thus diminishing the potential impact of the new investment. Redevelopment concentrated within a five-year period is much more effective at triggering new private investment than that stretched over a 10- to 15-year period. Focusing City resources on one or two redevelopment areas at a time could be more effective in achieving the desired results than spreading those limited resources over nine different redevelopment areas at once.

*Focus Where the Private Sector Will Not*

Public intervention is most justified in neighborhoods that have been bypassed by private developers – where the market has judged the returns too low and the risks too high to justify private investment. City policy reflects this concept. For example, the City is not acquiring land and buildings in the Blount Street neighborhood where private market interest is sufficient to spur redevelopment.

City land acquisition after an area is attracting private development interest can have the unintended consequence of raising price expectations for available properties and constraining their reuse potentials. The challenge lies in knowing when that private market calculus has shifted in a redevelopment area.

Currently, the redevelopment areas that are best able to attract private reinvestment are the portions of Downtown East proximate to downtown, particularly those west of East Street, and the portions of College Park/Idlewild/New Bern/Edenton near the Oakwood historic district. Thanks to the City's investment over many years, these areas are now on the verge of being able to attract private dollars. It is time to shift the City's focus to neighborhoods that have not yet reached that critical mass.

*Mix Incomes*

Urban redevelopment experience around the country has demonstrated the value of mixing incomes. The long-term constraints on property reuse associated with the use of CDBG funds are unduly restrictive in areas near downtown that could attract households with a wider range of incomes. The redevelopment area plans should allow for a diversity of housing types and incomes.

Residents of the redevelopment areas have commented that the new development makes no provision for move-up housing. As area residents reach income levels that allow them to afford somewhat larger homes with family rooms and other amenities, they are faced with limited housing choices in the neighborhood. Focusing exclusively on low-income households limits the supportable prices and sizes of the new housing. These small units do not meet the needs of many of the moderate- and middle-income households that the City would like to attract to its redevelopment areas. Failing to provide for move-up opportunities forces some households to leave the neighborhood to find housing appropriate to their family situation and aspirations.

Losing such households undercuts the community's long-term sustainability by depriving the community of important activists and mentors for area youth as well as the buying power that could help to support the desired retail and service amenities.

To ensure that policies to encourage mixed incomes do not force out existing residents, sale of City-owned land should be accompanied by requirements that a percentage of the units be earmarked for low- and moderate-income households.

*Consider a Mix of Housing Types*
The new housing being constructed in several redevelopment areas is dominated by single-family detached homeownership units on small lots. The City should consider encouraging additional housing types, particularly in areas proximate to downtown and transit stations. Regional smart growth depends on taking full advantage of the existing infrastructure and providing opportunities for as many households as possible to walk, bicycle or take transit to work.

*Mix Uses*
Vibrant neighborhoods often develop around commercial centers. Mixed uses provide an opportunity to inject some vitality with inclusion of cafes, restaurants and other neighborhood gathering spots. Limiting reuse opportunities to residential-only developments constrains the potential for revitalizing neighborhoods.

On a case-by-case basis, the City should consider assisting with commercial revitalization and selected development where the development will provide important public amenities or meet a pressing community need, e.g., a supermarket in areas not served by modern grocery stores.

*Seek Additional Funding Resources*
Total dependence on CDBG funding limits the City's ability to respond to market opportunities in some redevelopment areas. As redevelopment areas near downtown reach the point where the market is willing to invest, sites acquired with CDBG funding cannot be made available for market-rate development. HUD restrictions on non-residential construction limit the City's ability to support new commercial investment that could help to revitalize the neighborhood and improve the residents' quality of life.

The City should explore funding sources in addition to CDBG for land acquisition and clearance in redevelopment areas. That would give the City more flexibility in responding to market opportunities as well as increasing the availability of funds to accelerate redevelopment.

Many cities are committing local dollars to affordable housing development and area redevelopment. Housing trust funds capitalized with local tax dollars help to fill the funding gap; most often, these are receiving an earmarked portion of transfer and/or recordation taxes. Raleigh has made good use of housing bond funds. Alternatives should be explored for bonds that can also fund site assembly, clearance and infrastructure.

*Concentrate on Homeownership*

The long-term sustainability of the redevelopment areas will be much improved by a significant increase in the share of owner-occupied homes. A family's long-term commitment to the neighborhood and maintenance of their home is much greater when they own their home.

*Continue to Pursue Partnerships*

The redevelopment areas are home to some of the city's major institutions, including Shaw University, Peace College and St. Augustine's College. The City should continue to work with these institutions to identify strategies to revitalize the neighborhoods while helping the institutions respond to the housing needs of their students, faculty and staff.

# IX. Housing Gaps and Barriers

***Barriers to Affordable Housing***

*Loss of Federal Funding for Section 8*

The proposed Federal Budget for Fiscal Year 2006 to fund Section 8 Programs nationwide is very limited and the amount of vouchers that Raleigh will be awarded, if any, is uncertain. Currently, there are over 3,300 Section 8 vouchers in use in Raleigh. The recent readjustments of HUD's Fair Market Rents pose an even greater limitation on the amount of Section 8 units made available, as landlords and developers find it increasingly difficult to construct, maintain, and operate Section 8 rental housing with such low cash flow. Hence, the existing 228 Section 8 units scheduled to expire in the next five years have a high risk of conversion.

*Student Competition for Rental Units*

As stated previously, Raleigh offers a myriad of opportunities in terms of employment and education, making it an attractive location for students and residents alike. With seven universities and the ever-growing Research Triangle Park, the competition for living quarters can be intense. In many instances, off-campus residences are less expensive than on-campus dormitories. They are also not bound by university rules and regulations and may be closer to downtown activity, which is often enticing to undergraduates and graduates alike. As interest rates on mortgages rise, more people may choose renting as their best option. A high income bracket for Raleigh renters (between $25,000 and $75,000) was noted in *Section I: Housing Tenure* and suggested that many rent by choice. All of these aspects contribute to growing competition for rental units.

*Developer Setbacks*

Developers in Raleigh have had to face several obstacles related to public regulations. There have been more regulatory requirements in recent years regarding site development. Developers are now required to retain a higher proportion of stormwater on their own site, which ultimately translates into less impervious surfaces but increases development costs. The City's tree ordinance prohibits cutting down trees of a certain size considered specimen trees. Sometimes their location (e.g. in the middle of a site) inhibits efficient and affordable site layouts. While the intent of such regulations is to encourage creative environmentally-sensitive development, they can result in added costs for a developer. In addition, impact fees to support new roads, schools, parks, and recreation can take a toll on a developer's bottom line. Impact fees can constitute about 5 to 10 percent of development costs. Sometimes, this leads developers to pass these added costs through in higher home prices, thus discouraging more affordable housing.

*Rehabilitation Code*

Raleigh led the state's jurisdictions in adopting a new rehabilitation code designed to facilitate and encourage building renovation and adaptive reuse. However, some local developers report that inconsistent interpretations of the code between the office staff and the field inspectors often increases the costs and complicates the development process with last-minute changes to the development requirements.

*Rise in Rents & Sales Prices*

The turn of the century saw a distinct boom in the residential construction and home improvement markets throughout the nation fueled in part by historically low mortgage interest rates. As demand grew, so did the cost of materials, labor, and construction. Raleigh mostly saw a modest increase in home sales prices, as indicated by Office of Federal Housing Oversight (see *For-Sale Housing* section). The great home market and the dramatic population increase undoubtedly influenced home purchasing in the area, as evident with higher vacancies in the rental market and increases in owner-occupied households. In addition, a number of neighborhoods in Raleigh have homes priced over $300,000 (more than twice the city's median sales price for 2003). Such factors continue to push market-rate sales prices/rents, widening the margin between market-rate and affordable sales prices/rents. Thus, in such a thriving market, it can be very difficult to entice the private sector to build affordable units, regardless of public incentives.

*Neighborhood Opposition to High-Density Housing*

Raleigh has seen strong opposition to high-density and affordable housing development over the years. Fear of such development adversely affecting property values along with higher concentrations of people bringing more noise and traffic activity to quiet neighborhoods are among the biggest reasons for the opposition. In addition, a changing neighborhood character is a concern for some homeowners, who selected and purchased their property based on such things as privacy, open space, or predominantly single-family detached housing types. Such opposition has overwhelmed many of the proposed rezoning for multi-family development. Hence, the City faces a challenge in convincing existing residents as to the benefits and necessity for high-density development.

*Predatory Lending*

As stated previously in the *Subprime Lending* section of this report, subprime lending is very prevalent in North Carolina as a whole. Wake County has an extensive number of major subprime lenders, who have originated over 3,800 loans totaling more than $500 million. As North Carolina continues to outrank other states in the percent of home loans to those with annual incomes of less than $25,000, it is suspected that many of the county's subprime lenders target this population as well. These predatory lending practices present real hindrances to the homeownership market as overextended residents pay extraordinary interest rates and/or ultimately lose their homes through foreclosure. Such circumstances can ruin borrowers' credit histories and reduce their potential for financial stability.

***Housing Production Gap Analysis***

*Inadequate Public Housing Supply*

From the waiting list analysis, there is a definite gap between the Raleigh's current public housing demand and supply. Approximately, 2,832 families are on the public housing waiting lists with units needs including handicapped accessibility, single level units, or multiple bedrooms. The waiting period for families and single persons in Raleigh ranges from six months to two years or more. Thus, the number of households on the waiting list typically grows at a much faster rate than the number of available units.

*Insufficient Assisted Housing Supply*
Raleigh has a total of 2,828 Low-Income Housing Tax Credit (LIHTC) units with 84 additional units under construction and 256 units built with the now-nonexistent Section 8 Construction program. This sum of 4,755 subsidized housing units includes 1,587 public housing units and 235 Section 8 units whose subsidy contracts are scheduled to expire in the next five years. Raleigh also has 9,582 applicants on the Section 8 waiting list. Ninety-seven percent of those on the Section 8 waiting list have incomes below 30 percent of area median income. For these households not only are market rate units unaffordable, but also most LIHTC units. For such households, a voucher, a project-based Section 8 unit, or a public housing unit is almost their only route to decent, affordable housing.

*Low-Income Renter Housing*
Forty-two percent (23,013) of renter households have housing problems with 15,226 of those households earning less than 50 percent of AMI. Approximately, 9,388 multifamily units have been permitted in Raleigh since 2000. It is unknown how many of these were Low-Income Housing Tax Credit (LIHTC) units. There are currently 2,828 LIHTC units with 84 additional units under construction as of September 2004. Additionally there are over 3,300 Section 8 vouchers in use throughout Raleigh.

*Low-Income Owner Housing*
With the majority of building permits since 2000 reflecting single-family housing construction coupled with evidence that 60.3 percent of recent 2003 homes sales range from $100,001 to $200,000, there is a definite deficiency of housing affordable to low-income owner households. Of the houses sold in 2003, only 8.8 percent sold for under $100,000, which probably included a significant number of older, substandard units. Thus, the data indicate that finding a new unit or resold unit in standard condition for below $100,000, except for condominiums, is a rare find. Of the 12,299 owner households (21 percent) with housing problems in Raleigh, about 3,800 households earn at or below 50 percent of AMI and are not able to afford homes of more than $100,000. Approximately 1,200 of these households are elderly. Accordingly, about 7,880 homes priced under $100,000 are still needed. The current market, however, does not support the provision of homes priced under $100,000, aside from special housing provided by Habitat for Humanity or other non-profit groups. Additional high-density, affordable rental housing may be the best and most effective solution for this particular housing need.

The inclusion of low-income households (those earning 51 to 80 percent of AMI) adds about 3,600 more households in need of affordable housing. The maximum affordable sales price of this income group is $120,489 for a family of four persons. With median home prices in Raleigh currently at $166,000, there is a definite need for affordable housing for this income group. Raleigh has a number of in-place funding tools to assist these low-income households with homeownership, including City-Wide Homeownership Loan Program, Downtown Second Mortgage Program, and homeownership counseling programs. Current incentives for nonprofit and private-sector developers for low-income housing development include the Joint Venture Rental Program and matching HOME funds among others.

*Special Needs Housing*

As stated previously in the Special Needs section of this report, an estimated 536 households with incomes of up to 80 percent of AMI require wheelchair accessible housing; the majority need rental units. The Raleigh Housing Authority has a current supply of 82 wheelchair-accessible housing units. Additionally, an estimated 123 persons with severe and persistent mental illness and 40 persons with severe developmental disabilities are candidates for permanent supportive housing. Raleigh's capacity and availability of beds for persons with special needs is currently unknown, but the supply fails to meet the estimated demand.

*Elderly*

There are approximately 3,889 elderly households with incomes at or below 80 percent of the AMI that have housing problems. This means that elderly households require 14.2 percent of the 27,455 affordable units needed for Raleigh. Among this population, currently 2,182 are renters and the remaining 1,707 are owners. There are currently 386 public housing units reserved for elderly tenants with an additional 90 non-public housing units for elderly that are owned by RHA's non-profit entities. As the typical wait period for an elderly single-person is about three months, this specific population appears to be well-served by RHA regarding housing placement. It is unknown how many current LIHTC units are reserved for elderly. Furthermore, the owner sector of this population often needs single-level housing with small yards to facilitate mobility and property maintenance. A small house could work very well for this population.

*Homeless*

The Wake County Continuum of Care reports the following unmet needs regarding homeless individuals and families.

Figure 52: Continuum of Care Housing Gaps Analysis Chart

| | Current Inventory in 2004 (Beds) | Under Development in 2004 | Unmet Need/Gap |
|---|---|---|---|
| **Individuals** | | | |
| Emergency Shelter | 354 | 18 | 0 |
| Transitional Housing | 361 | 0 | 0 |
| Permanent Supportive Housing | 204 | 14 | 825 |
| **Total** | **919** | **32** | **825** |
| **Persons in Families with Children** | | | |
| Emergency Shelter | 125 | 27 | 29 |
| Transitional Housing | 199 | 0 | 10 |
| Permanent Supportive Housing | 76 | 98 | 410 |
| **Total** | **400** | **125** | **449** |

*Appendix A:*
*Demographic and Other Report Tables*

## Table A-1: Employment by Type of Work for Wake County, 1994-2003

| Industry | 1994* | 1995* | 1996* | 1997* | 1998* | 1999* | 2000* |
|---|---|---|---|---|---|---|---|
| Agriculture | 615 | 579 | 641 | 708 | 771 | 781 | 839 |
| Construction and Mining | 17,017 | 18,741 | 20,041 | 23,052 | 25,688 | 27,975 | 28,553 |
| Manufacturing | 26,252 | 25,428 | 24,633 | 25,013 | 25,884 | 27,410 | 28,124 |
| Transportation and Public Utilities | 13,256 | 13,903 | 13,119 | 12,794 | 13,620 | 13,971 | 14,020 |
| Wholesale Trade | 13,380 | 14,316 | 15,587 | 17,104 | 18,029 | 18,756 | 18,596 |
| Retail Trade | 33,444 | 35,788 | 38,380 | 40,503 | 41,962 | 44,894 | 46,600 |
| Information | 10,079 | 10,298 | 12,785 | 13,398 | 13,648 | 14,229 | 17,192 |
| Finance, Insurance, and Real Estate | 16,358 | 15,843 | 17,222 | 18,769 | 19,117 | 20,235 | 21,058 |
| Services | 47,732 | 52,351 | 58,008 | 62,913 | 68,877 | 66,070 | 68,910 |
| Government | 27,924 | 28,384 | 28,593 | 30,656 | 29,617 | 31,587 | 32,442 |
| Educational, health and social services | 41,829 | 43,198 | 47,985 | 51,193 | 54,100 | 56,142 | 57,828 |
| Arts, entertainment, recreation, accommodation and food services | 25,769 | 26,478 | 27,024 | 28,769 | 29,968 | 31,772 | 33,706 |
| Other services (except public administration) | 12,726 | 23,932 | 9,964 | 10,709 | 11,182 | 11,299 | 12,247 |
| Total | 286,381 | 309,239 | 313,982 | 335,581 | 352,463 | 365,121 | 380,115 |

## Table A-1: Employment by Type of Work for Wake County, 1994-2003 (continued)

| Industry | 2001 | 2002 | 2003 | % Change 1994-2001 | % Change 1994-2003 | % Change 2001-2003 |
|---|---|---|---|---|---|---|
| Agriculture | 838 | 1,282 | 1,211 | 36.3% | 96.9% | 44.5% |
| Construction and Mining | 29,931 | 28,548 | 27,367 | 75.9% | 60.8% | -8.6% |
| Manufacturing | 27,018 | 24,020 | 22,217 | 2.9% | -15.4% | -17.8% |
| Transportation and Public Utilities | 14,649 | 12,490 | 12,069 | 10.5% | -9.0% | -17.6% |
| Wholesale Trade | 18,193 | 18,571 | 18,649 | 36.0% | 39.4% | 2.5% |
| Retail Trade | 47,196 | 45,094 | 45,467 | 41.1% | 35.9% | -3.7% |
| Information | 17,733 | 17,434 | 16,989 | 75.9% | 68.6% | -4.2% |
| Finance, Insurance, and Real Estate | 20,773 | 22,101 | 20,880 | 27.0% | 27.6% | 0.5% |
| Services | 68,193 | 64,968 | 66,687 | 42.9% | 39.7% | -2.2% |
| Government | 32,406 | 32,676 | 33,331 | 16.1% | 19.4% | 2.9% |
| Educational, health and social services | 63,615 | 64,794 | 66,990 | 52.1% | 60.2% | 5.3% |
| Arts, entertainment, recreation, accommodation and food services | 35,339 | 35,574 | 36,120 | 37.1% | 40.2% | 2.2% |
| Other services (except public administration) | 12,604 | 12,214 | 12,327 | -1.0% | -3.1% | -2.2% |
| Total | 388,488 | 379,766 | 380,304 | 35.7% | 32.8% | -2.1% |

* = indicates Disclosure Suppression on utilities count for that year

Source: The Employment Security Commission of North Carolina, 2005, Bay Area Economics, 2005.

## Table A-2: Resident Employment by Occupation and Industry, 2000

| | Raleigh | | Wake County | | Raleigh MS |
|---|---|---|---|---|---|
| | Employed Residents | Percent of Total | Employed Residents | Percent of Total | Employed Residents |
| Occupation | | | | | |
| Management, professional, and related occupations | 69,482 | 45.1% | 161,529 | 47.0% | 277,821 |
| Service occupations | 20,209 | 13.1% | 37,833 | 11.0% | 74,100 |
| Sales and office occupations | 41,343 | 26.8% | 89,325 | 26.0% | 155,765 |
| Farming, fishing, and forestry occupations | 321 | 0.2% | 791 | 0.2% | 2,071 |
| Construction, extraction, and maintenance occupations | 10,969 | 7.1% | 26,846 | 7.8% | 56,678 |
| Production, transportation, and material moving occupations | 11,790 | 7.7% | 27,102 | 7.9% | 61,337 |
| **Total** | 154,114 | 100% | 343,426 | 100% | 627,772 |
| Industry | | | | | |
| Agriculture, forestry, fishing and hunting, and mining | 618 | 0.4% | 1,634 | 0.5% | 4,673 |
| Construction | 10,426 | 6.8% | 25,417 | 7.4% | 49,910 |
| Manufacturing | 15,620 | 10.1% | 43,193 | 12.6% | 78,739 |
| Wholesale trade | 4,698 | 3.0% | 11,211 | 3.3% | 18,062 |
| Retail trade | 16,994 | 11.0% | 37,202 | 10.8% | 64,844 |
| Transportation and warehousing, and utilities | 5,673 | 3.7% | 13,982 | 4.1% | 23,594 |
| Information | 6,961 | 4.5% | 16,815 | 4.9% | 26,171 |
| Finance, insurance, real estate and rental and leasing | 11,512 | 7.5% | 23,226 | 6.8% | 37,709 |
| Professional, scientific, management, and administrative | 23,487 | 15.2% | 52,861 | 15.4% | 82,453 |
| Educational, health and social services | 28,917 | 18.8% | 60,041 | 17.5% | 138,394 |
| Arts, entertainment, recreation, accommodation and food services | 13,795 | 9.0% | 23,725 | 6.9% | 42,797 |
| Other services (except public administration) | 6,528 | 4.2% | 14,620 | 4.3% | 27,491 |
| Public administration | 8,885 | 5.8% | 19,499 | 5.7% | 32,935 |
| **Total** | 154,114 | 100% | 343,426 | 100% | 627,772 |
| Percent Employed Residents (of Total Residents) | | 56% | | 55% | |

Source: U.S. Census, 2000; Bay Area Economics, 2005.

Bay Area Economics

## Table A-3: Civilian Labor Force, Employment and Unemployment Trends, Wake County 1995-2004

**Wake County**

| Year | Civilian Labor Force | Total Resident Employment | Unemployment Number | Unemployment Percent |
|---|---|---|---|---|
| **1995** | 301,057 | 293,984 | 7,073 | 2.3% |
| **1996** | 325,246 | 318,515 | 6,731 | 2.1% |
| **1997** | 341,542 | 335,872 | 5,670 | 1.7% |
| **1998** | 348,722 | 343,381 | 5,341 | 1.5% |
| **1999** | 361,746 | 356,818 | 4,928 | 1.4% |
| **2000** | 366,954 | 361,302 | 5,652 | 1.5% |
| **2001** | 381,603 | 369,307 | 12,296 | 3.2% |
| **2002** | 386,286 | 365,910 | 20,376 | 5.3% |
| **2003** | 394,369 | 375,670 | 18,699 | 4.7% |
| **2004** | 397,200 | 383,705 | 13,495 | 3.4% |

## Table A-3: Civilian Labor Force, Employment and Unemployment Trends, Wake County 1995-2004 (continued)

**Raleigh-Durham-Chapel Hill MSA**

| Year | Civilian Labor Force | Total Resident Employment | Unemployment Number | Unemployment Percent |
|---|---|---|---|---|
| **1995** | 564,368 | 549,933 | 14,435 | 2.6% |
| **1996** | 603,986 | 589,941 | 14,045 | 2.3% |
| **1997** | 630,691 | 618,591 | 12,100 | 1.9% |
| **1998** | 639,747 | 628,491 | 11,256 | 1.8% |
| **1999** | 660,453 | 650,115 | 10,338 | 1.6% |
| **2000** | 672,564 | 660,724 | 11,840 | 1.8% |
| **2001** | 695,238 | 672,552 | 22,686 | 3.3% |
| **2002** | 700,163 | 664,217 | 35,946 | 5.1% |
| **2003** | 715,376 | 681,933 | 33,443 | 4.7% |
| **2004*** | 720,545 | 696,519 | 24,026 | 3.3% |

Notes: Totals are annual averages

* = 2004 data are the November numbers for the civilian labor force

Source: The Employment Security Commission of North Carolina, 2005; Bay Area Economics, 2005.

## Table A-4:  Journey to Work, 2000

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| Commute time | Emp. Residents | % of Total | Emp. Residents | % of Total | Emp. Residents | % of Total |
| Work at Home | 4,996 | 3% | 12,737 | 4% | 21,375 | 3% |
| Less than 5 minutes | 3,636 | 2% | 7,151 | 2% | 13,454 | 2% |
| 5 to 9 minutes | 15,410 | 10% | 27,154 | 8% | 51,473 | 8% |
| 10 to 14 minutes | 23,772 | 16% | 42,047 | 12% | 82,459 | 13% |
| 15 to 19 minutes | 29,151 | 19% | 52,957 | 16% | 100,493 | 16% |
| 20 to 24 minutes | 26,608 | 18% | 57,773 | 17% | 99,053 | 16% |
| 25 to 29 minutes | 9,446 | 6% | 24,749 | 7% | 41,034 | 7% |
| 30 to 34 minutes | 20,175 | 13% | 54,366 | 16% | 93,238 | 15% |
| 35 to 39 minutes | 3,291 | 2% | 10,921 | 3% | 19,168 | 3% |
| 40 to 44 minutes | 3,108 | 2% | 11,403 | 3% | 20,501 | 3% |
| 45 to 59 minutes | 6,273 | 4% | 21,899 | 6% | 43,982 | 7% |
| 60 to 89 minutes | 3,471 | 2% | 9,990 | 3% | 20,830 | 3% |
| 90 or more minutes | 2,318 | 2% | 5,455 | 2% | 10,415 | 2% |
| Total: | 151,655 | 100% | 338,602 | 100% | 617,475 | 100% |
| % Commuting 30 Minutes or More | | 25% | | 34% | | 34% |

Source: U.S. Census, 2000; Bay Area Economics, 2005.

## Table A-5: Population and Household Trends

| | Raleigh | | | | | | Wake County | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1990 | 2000 | Annual Growth `90-`00 | 2004 | 2009 | Annual Growth `00-`09 | 1990 | 2000 | Annual Growth `90-`00 | 2004 | 2009 | Annual Growth `00-`09 |
| **Population** | 207,951 | 276,093 | 2.9% | 313,458 | 359,491 | 3.0% | 423,380 | 627,846 | 4.0% | 705,488 | 801,181 | 2.7% |
| **Households** | 85,822 | 112,608 | 2.8% | 127,476 | 145,542 | 2.9% | 165,743 | 242,040 | 3.9% | 271,157 | 306,687 | 2.7% |
| **Avg. Household Size** | 2.26 | 2.30 | | 2.31 | 2.33 | | 2.46 | 2.51 | | 2.52 | 2.54 | |
| **Household Type** | | | | | | | | | | | | |
| **Families** | 56.9% | 54.5% | | | | | 66.6% | 65.6% | | | | |
| **Non-Families** | 43.1% | 45.5% | | | | | 33.4% | 34.4% | | | | |
| **Household Tenure** | | | | | | | | | | | | |
| **Renter** | 53.1% | 48.4% | | | | | 39.1% | 34.1% | | | | |
| **Owner** | 46.9% | 51.6% | | | | | 60.9% | 65.9% | | | | |
| **Ethnicity** | | | | | | | | | | | | |
| **African-American** | 27.6% | 27.5% | | | | | 20.8% | 19.5% | | | | |
| **White** | 69.2% | 60.3% | | | | | 76.5% | 69.9% | | | | |
| **Asian** | 0.3% | 3.4% | | | | | 2.2% | 3.4% | | | | |
| **Hispanic** | 0.1% | 7.0% | | | | | 1.3% | 5.4% | | | | |
| **Other** | 0.0% | 0.5% | | | | | 0.0% | 0.5% | | | | |
| **Two or more races** | N/A | 1.4% | | | | | N/A | 1.3% | | | | |

## Table A-5: Population and Household Trends (continued)

| | Raleigh MSA | | | | | |
|---|---|---|---|---|---|---|
| | 1990 | 2000 | Annual Growth `90-`00 | 2004 | 2009 | Annual Growth `00-`09 |
| **Population** | 735,480 | 1,187,941 | 4.9% | 1,317,496 | 1,476,932 | 2.4% |
| **Households** | 287,647 | 461,097 | 4.8% | 510,479 | 570,853 | 2.4% |
| **Avg. Household Size** | 2.44 | 2.48 | | 2.49 | 2.50 | |
| **Household Type** | | | | | | |
| **Families** | 65.4% | 64.9% | | | | |
| **Non-Families** | 34.6% | 35.1% | | | | |
| **Household Tenure** | | | | | | |
| **Renter** | 41.1% | 35.5% | | | | |
| **Owner** | 58.9% | 64.5% | | | | |
| **Ethnicity** | | | | | | |
| **African-American** | 24.9% | 22.5% | | | | |
| **White** | 72.5% | 66.8% | | | | |
| **Asian** | 2.1% | 2.9% | | | | |
| **Hispanic** | 1.2% | 6.1% | | | | |
| **Other** | 0.5% | 0.5% | | | | |
| **Two or more races** | N/A | 1.2% | | | | |

Note: [1]Asheville Regional Housing Consortium represents aggregate numbers of Buncombe, Henderson, Madison, and Transylvania counties.
[2]Latino population is underreported due to a high number of undocumented immigrants.

Source: U.S. Census, 1990 & 2000; Bay Area Economics, 2005.

## Table A-6: Latino Population

| Wake County | 1990 | 2000 | 2003[1] |
|---|---|---|---|
| Latino Population | 5,396 | 33,985 | 43,323 |
| Total Population | 423,380 | 627,846 | 680,088 |
| Percent of Total Population | 1.3% | 5.4% | 6.4% |

| Raleigh MSA | 1990 | 2000 | 2003[1] |
|---|---|---|---|
| Latino Population | 9,019 | 72,580 | 100,445 |
| Total Population | 735,480 | 1,187,941 | 1,275,543 |
| Percent of Total Population | 1.2% | 6.1% | 7.9% |

Note: [1]Year 2003 is an estimate from Faith Action International House
[2]Asheville Regional Housing Consortium represents aggregate numbers of Buncombe, Henderson, Madison, and Transylvania counties.

Source: U.S. Census 2000; Bay Area Economics, 2005.

## Table A-7: Household Income Distribution

| Estimated Income | Raleigh | | | | | |
|---|---|---|---|---|---|---|
| | 2000[1] | Percent of Total | 2004 | Percent of Total | 2009 | Percent of Total |
| **Less than $15,000** | 13,267 | 11.8% | 14,033 | 11.0% | 14,178 | 9.7% |
| **$15,000 to $24,999** | 12,758 | 11.3% | 12,143 | 9.5% | 11,754 | 8.1% |
| **$25,000 to $34,999** | 14,896 | 13.2% | 15,730 | 12.3% | 14,565 | 10.0% |
| **$35,000 to $49,999** | 19,062 | 16.9% | 20,581 | 16.1% | 23,737 | 16.3% |
| **$50,000 to $74,999** | 23,007 | 20.4% | 25,642 | 20.1% | 28,438 | 19.5% |
| **$75,000 to $99,999** | 13,262 | 11.8% | 16,388 | 12.9% | 19,442 | 13.4% |
| **$100,000 to $149,999** | 10,843 | 9.6% | 14,400 | 11.3% | 20,720 | 14.2% |
| **$150,000 and over** | 5,632 | 5.0% | 8,559 | 6.7% | 12,708 | 8.7% |
| **Total** | 112,727 | 100% | 127,476 | 100% | 145,542 | 100% |
| **Median Household Income** | $47,152 | | $51,220 | | $57,505 | |
| | **Wake County** | | | | | |
| | 2000[1] | Percent of Total | 2004 | Percent of Total | 2009 | Percent of Total |
| **Less than $15,000** | 21,994 | 9.1% | 22,771 | 8.4% | 22,346 | 7.3% |
| **$15,000 to $24,999** | 22,216 | 9.2% | 20,473 | 7.6% | 18,996 | 6.2% |
| **$25,000 to $34,999** | 26,989 | 11.1% | 27,147 | 10.0% | 23,985 | 7.8% |
| **$35,000 to $49,999** | 37,364 | 15.4% | 38,442 | 14.2% | 42,009 | 13.7% |
| **$50,000 to $74,999** | 52,077 | 21.5% | 54,377 | 20.1% | 56,578 | 18.4% |
| **$75,000 to $99,999** | 33,970 | 14.0% | 40,591 | 15.0% | 45,145 | 14.7% |
| **$100,000 to $149,999** | 31,305 | 12.9% | 40,252 | 14.8% | 55,864 | 18.2% |
| **$150,000 and over** | 16,218 | 6.7% | 27,104 | 10.0% | 41,764 | 13.6% |
| **Total** | 242,133 | 100% | 271,157 | 100% | 306,687 | 100% |
| **Median Household Income** | $56,003 | | $62,296 | | $70,329 | |
| | **Raleigh MSA** | | | | | |
| | 2000[1] | Percent of Total | 2004 | Percent of Total | 2009 | Percent of Total |
| **Less than $15,000** | 58,087 | 12.5% | 59,791 | 11.7% | 58,619 | 10.3% |
| **$15,000 to $24,999** | 49,337 | 10.6% | 45,851 | 9.0% | 43,388 | 7.6% |
| **$25,000 to $34,999** | 54,977 | 11.9% | 55,964 | 11.0% | 50,731 | 8.9% |
| **$35,000 to $49,999** | 72,934 | 15.7% | 74,530 | 14.6% | 82,242 | 14.4% |
| **$50,000 to $74,999** | 98,589 | 21.3% | 101,935 | 20.0% | 106,350 | 18.6% |
| **$75,000 to $99,999** | 55,962 | 12.1% | 68,842 | 13.5% | 78,771 | 13.8% |
| **$100,000 to $149,999** | 47,780 | 10.3% | 62,457 | 12.2% | 88,914 | 15.6% |
| **$150,000 and over** | 25,669 | 5.5% | 41,109 | 8.1% | 61,838 | 10.8% |
| **Total** | 463,335 | 100% | 510,479 | 100.0% | 570,853 | 100% |
| **Median Household Income** | $49,040 | | $54,685 | | $61,859 | |

Note: [1]Data is based on household incomes reported in 1999.

Source: U.S. Census 2000; Claritas, 2004; Bay Area Economics, 2005.

## Table A-8: Age Distribution

| Age | 1990 Number | 1990 Percent of Total | 2000 Number | 2000 Percent of Total | Average Annual Change 1990-2000 |
|---|---|---|---|---|---|
| **Raleigh** | | | | | |
| Under 18 | 40,813 | 19.6% | 57,606 | 20.9% | 3.5% |
| 18-24 | 36,486 | 17.5% | 43,875 | 15.9% | 1.9% |
| 25-34 | 46,885 | 22.5% | 57,105 | 20.7% | 2.0% |
| 35-44 | 32,907 | 15.8% | 43,826 | 15.9% | 2.9% |
| 45-54 | 18,806 | 9.0% | 32,984 | 11.9% | 5.8% |
| 55-64 | 13,722 | 6.6% | 17,702 | 6.4% | 2.6% |
| 65 and over | 18,332 | 8.8% | 22,995 | 8.3% | 2.3% |
| **Total** | 207,951 | 100% | 276,093 | 100% | 2.9% |
| Median Age | 30.7 | | 30.9 | | |
| **Wake County** | | | | | |
| Under 18 | 97,815 | 23.1% | 157,597 | 25.1% | 4.9% |
| 18-24 | 55,186 | 13.0% | 66,914 | 10.7% | 1.9% |
| 25-34 | 90,876 | 21.5% | 113,409 | 18.1% | 2.2% |
| 35-44 | 73,832 | 17.4% | 115,663 | 18.4% | 4.6% |
| 45-54 | 43,825 | 10.4% | 84,206 | 13.4% | 6.7% |
| 55-64 | 28,653 | 6.8% | 43,685 | 7.0% | 4.3% |
| 65 and over | 33,193 | 7.8% | 46,372 | 7.4% | 3.4% |
| **Total** | 423,380 | 100% | 627,846 | 100% | 4.0% |
| Median Age | 31.5 | | 32.9 | | |
| **Raleigh MSA** | | | | | |
| Under 18 | 165,809 | 22.5% | 287,656 | 24.2% | 5.7% |
| 18-24 | 105,096 | 14.3% | 137,912 | 11.6% | 2.8% |
| 25-34 | 151,985 | 20.7% | 208,672 | 17.6% | 3.2% |
| 35-44 | 123,701 | 16.8% | 205,499 | 17.3% | 5.2% |
| 45-54 | 72,591 | 9.9% | 158,362 | 13.3% | 8.1% |
| 55-64 | 50,611 | 6.9% | 87,266 | 7.3% | 5.6% |
| 65 and over | 65,687 | 8.9% | 102,574 | 8.6% | 4.6% |
| **Total** | 735,480 | 100% | 1,187,941 | 100% | 4.9% |
| Median Age | 31.4 | | 33.0 | | |

Source: U.S. Census, 1990 & 2000; Bay Area Economics, 2005.

## Table A-9: Household Type by Jurisdiction, 2000

| Household Type | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | # of HHs | % of HHs | # of HHs | % of HHs | # of HHs | % of HHs |
| Family Households | 62,174 | 55.2% | 159,824 | 66.0% | 301,698 | 65.4% |
| Single-Person Households | 37,252 | 33.0% | 62,136 | 25.7% | 121,565 | 26.4% |
| Other Households | 13,301 | 11.8% | 20,173 | 8.3% | 38,072 | 8.3% |
| Total Households | 112,727 | 100% | 242,133 | 100% | 461,335 | 100% |

Source: U.S. Census 2000; Bay Area Economics, 2005.

## Table A-10: Household by Size

| Household Size | Raleigh 2000 | Raleigh Percent of Total | Wake County 2000 | Wake County Percent of Total | Raleigh MSA 2000 | Raleigh MSA Percent of Total |
|---|---|---|---|---|---|---|
| **1 person** | 37,252 | 33.0% | 62,136 | 25.7% | 121,565 | 26.4% |
| **2 persons** | 37,649 | 33.4% | 81,029 | 33.5% | 156,464 | 33.9% |
| **3 persons** | 16,897 | 15.0% | 41,313 | 17.1% | 79,325 | 17.2% |
| **4 persons** | 12,878 | 11.4% | 36,849 | 15.2% | 65,477 | 14.2% |
| **5 persons** | 5,091 | 4.5% | 13,944 | 5.8% | 25,204 | 5.5% |
| **6 persons** | 1,731 | 1.5% | 4,556 | 1.9% | 8,609 | 1.9% |
| **7 or more persons** | 1,229 | 1.1% | 2,306 | 1.0% | 4,691 | 1.0% |
| **Total Households** | 112,727 | 100.0% | 242,133 | 100.0% | 461,335 | 100.0% |

Source: 2000 U.S. Census; Bay Area Economics, 2005.

## Table A-11: Tenure by Household Income

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 2000[1] | Percent of Total | 2000[1] | Percent of Total | 2000[1] | Percent of Total |
| **Owner occupied:** | | | | | | |
| Less than $15,000 | 2,644 | 4.6% | 7,214 | 4.5% | 20,622 | 6.9% |
| $15,000 to $19,999 | 1,415 | 2.4% | 3,763 | 2.4% | 9,410 | 3.2% |
| $20,000 to $24,999 | 1,933 | 3.3% | 4,756 | 3.0% | 11,569 | 3.9% |
| $25,000 to $34,999 | 4,968 | 8.6% | 12,658 | 7.9% | 27,345 | 9.2% |
| $35,000 to $49,999 | 9,029 | 15.6% | 21,743 | 13.6% | 43,933 | 14.8% |
| $50,000 to $74,999 | 13,799 | 23.8% | 37,398 | 23.5% | 70,737 | 23.8% |
| $75,000 to $99,999 | 9,972 | 17.2% | 28,453 | 17.8% | 46,874 | 15.8% |
| $100,000 to $149,999 | 9,141 | 15.8% | 28,156 | 17.7% | 43,019 | 14.5% |
| $150,000 or more | 5,131 | 8.8% | 15,315 | 9.6% | 23,961 | 8.1% |
| **Total** | **58,032** | **100.0%** | **159,456** | **100.0%** | **297,470** | **100.0%** |
| **Median Income** | **$66,354** | | **$69,783** | | **$62,672** | |
| **Renter occupied:** | | | | | | |
| Less than $15,000 | 10,593 | 19.4% | 14,758 | 17.9% | 37,496 | 22.9% |
| $15,000 to $19,999 | 4,499 | 8.3% | 6,434 | 7.8% | 13,828 | 8.5% |
| $20,000 to $24,999 | 4,921 | 9.0% | 7,157 | 8.7% | 14,491 | 8.9% |
| $25,000 to $34,999 | 9,941 | 18.2% | 14,384 | 17.4% | 27,610 | 16.9% |
| $35,000 to $49,999 | 10,033 | 18.4% | 15,600 | 18.9% | 28,924 | 17.7% |
| $50,000 to $74,999 | 9,182 | 16.8% | 14,800 | 17.9% | 25,877 | 15.8% |
| $75,000 to $99,999 | 3,208 | 5.9% | 5,490 | 6.6% | 8,944 | 5.5% |
| $100,000 to $149,999 | 1,660 | 3.0% | 2,991 | 3.6% | 4,688 | 2.9% |
| $150,000 or more | 488 | 0.9% | 970 | 1.2% | 1,769 | 1.1% |
| **Total** | **54,525** | **100.0%** | **82,584** | **100.0%** | **163,627** | **100.0%** |
| **Median Income** | **$32,293** | | **$33,998** | | **$30,794** | |

Note: [1]Data is based on household incomes reported in 1999.

Source: U.S. Census, 2000, Bay Area Economics, 2005.

## Table A-12: Income Distribution by Age of Householder

| Raleigh | 25-44 # HH's | 25-44 Percent | 45-64 # HH's | 45-64 Percent | 65 and older # HH's | 65 and older Percent |
|---|---|---|---|---|---|---|
| Less then $15,000 | 4,403 | 8.0% | 2,362 | 7.8% | 2,920 | 19.9% |
| $15,000 to $24,999 | 5,754 | 10.4% | 2,164 | 7.1% | 2,199 | 15.0% |
| $25,000 to $34,999 | 7,891 | 14.3% | 3,087 | 10.1% | 1,985 | 13.5% |
| $35,000 to $49,999 | 10,455 | 18.9% | 4,592 | 15.1% | 2,075 | 14.2% |
| $50,000 to $74,999 | 12,846 | 23.2% | 6,301 | 20.7% | 2,396 | 16.3% |
| $75,000 to $99,999 | 6,812 | 12.3% | 4,492 | 14.8% | 1,458 | 9.9% |
| $100,000 or more | 7,209 | 13.0% | 7,444 | 24.5% | 1,631 | 11.1% |
| Total Households | 55,370 | 100% | 30,442 | 100% | 14,664 | 100% |

| Wake County | 25-44 # HH's | 25-44 Percent | 45-64 # HH's | 45-64 Percent | 65 and older # HH's | 65 and older Percent |
|---|---|---|---|---|---|---|
| Less then $15,000 | 7,053 | 5.8% | 4,626 | 6.2% | 5,968 | 20.8% |
| $15,000 to $24,999 | 9,506 | 7.8% | 4,625 | 6.2% | 4,547 | 15.9% |
| $25,000 to $34,999 | 13,980 | 11.5% | 6,310 | 8.5% | 3,925 | 13.7% |
| $35,000 to $49,999 | 20,185 | 16.5% | 9,789 | 13.1% | 4,402 | 15.4% |
| $50,000 to $74,999 | 29,815 | 24.4% | 15,590 | 20.9% | 4,396 | 15.3% |
| $75,000 to $99,999 | 18,541 | 15.2% | 12,151 | 16.3% | 2,514 | 8.8% |
| $100,000 or more | 22,888 | 18.8% | 21,418 | 28.7% | 2,900 | 10.1% |
| Total Households | 121,968 | 100% | 74,509 | 100% | 28,652 | 100% |

## Table A-12: Income Distribution by Age of Householder (continued)

| | 25-44 | | 45-64 | | 65 and older | |
|---|---|---|---|---|---|---|
| **Raleigh MSA** | **# HH's** | **Percent** | **# HH's** | **Percent** | **# HH's** | **Percent** |
| Less then $15,000 | 16,820 | 7.7% | 12,432 | 8.7% | 17,463 | 26.7% |
| $15,000 to $24,999 | 20,829 | 9.5% | 10,811 | 7.6% | 10,989 | 16.8% |
| $25,000 to $34,999 | 27,671 | 12.6% | 13,638 | 9.5% | 8,496 | 13.0% |
| $35,000 to $49,999 | 38,413 | 17.5% | 20,148 | 14.1% | 9,311 | 14.2% |
| $50,000 to $74,999 | 53,591 | 24.4% | 30,610 | 21.4% | 8,628 | 13.2% |
| $75,000 to $99,999 | 29,560 | 13.5% | 20,632 | 14.4% | 4,704 | 7.2% |
| $100,000 or more | 32,636 | 14.9% | 34,548 | 24.2% | 5,766 | 8.8% |
| Total Households | 219,520 | 100% | 142,819 | 100% | 65,357 | 100% |

Note: [1]Data is based on household incomes reported in 1999.

Source: U.S. Census, 2000, Bay Area Economics, 2005.

## Table A-13: Income Levels of Low-and Moderate-Income Households by Jurisdiction and Tenure, 2000

| Raleigh | Renter Households # of HHs | Renter Households % of HHs | Owner Households # of HHs | Owner Households % of HHs | Total Households # of HHs | Total Households % of HHs |
|---|---|---|---|---|---|---|
| Extremely Low Income (0% to 30% of AMI) | 10,343 | 19.0% | 2,338 | 4.0% | 12,681 | 11.3% |
| Very Low Income (31% to 50% of AMI) | 8,659 | 15.9% | 3,170 | 5.5% | 11,829 | 10.5% |
| Low Income (51% to 80% of AMI) | 13,799 | 25.3% | 7,567 | 13.0% | 21,366 | 19.0% |
| (Above 80% of AMI) | 21,735 | 39.9% | 44,937 | 77.5% | 66,672 | 59.2% |
| Total Households | 54,536 | 100% | 58,012 | 100% | 112,548 | 100% |

| Wake County | Renter Households # of HHs | Renter Households % of HHs | Owner Households # of HHs | Owner Households % of HHs | Total Households # of HHs | Total Households % of HHs |
|---|---|---|---|---|---|---|
| Extremely Low Income (0% to 30% of AMI) | 14,572 | 17.6% | 6,739 | 4.2% | 21,311 | 8.8% |
| Very Low Income (31% to 50% of AMI) | 12,561 | 15.2% | 8,226 | 5.2% | 20,787 | 8.6% |
| Low Income (51% to 80% of AMI) | 20,517 | 24.8% | 20,287 | 12.7% | 40,804 | 16.9% |
| (Above 80% of AMI) | 34,929 | 42.3% | 124,178 | 77.9% | 159,107 | 65.7% |
| Total Households | 82,579 | 100% | 159,430 | 100% | 242,009 | 100% |

Source: Comprehensive Housing Affordability Strategy Databook, 2000 Census Information; Bay Area Economics, 2005.

## Table A-14: Income Distribution[1] by Race and Ethnicity, 2000

| Raleigh | All HH's # HH's | All HH's % of HH's | White (Non-Hisp.) # HH's | White (Non-Hisp.) % of HH's | Hispanic (All Races) # HH's | Hispanic (All Races) % of HH's |
|---|---|---|---|---|---|---|
| Extremely Low Income (0% to 30) | 12,681 | 11.3% | 5,745 | 7.7% | 859 | 18.8% |
| Very Low Income (31% to 50%) | 11,829 | 10.5% | 5,755 | 7.7% | 978 | 21.4% |
| Low Income (51% to 80%) | 21,366 | 19.0% | 12,405 | 16.6% | 1,215 | 26.6% |
| (Above 80%) | 66,672 | 59.2% | 51,000 | 68.1% | 1,519 | 33.2% |
| Total | 112,548 | 100.0% | 74,905 | 100.0% | 4,571 | 100.0% |

| Wake County | All HH's # HH's | All HH's % of HH's | White (Non-Hisp.) # HH's | White (Non-Hisp.) % of HH's | Hispanic (All Races) # HH's | Hispanic (All Races) % of HH's |
|---|---|---|---|---|---|---|
| Extremely Low Income (0% to 30%) | 21,311 | 8.8% | 11,075 | 6.2% | 1,414 | 17.5% |
| Very Low Income (31% to 50%) | 20,787 | 8.6% | 11,710 | 6.5% | 1,479 | 18.3% |
| Low Income (51% to 80%) | 40,804 | 16.9% | 26,630 | 14.9% | 1,959 | 24.2% |
| (Above 80%) | 159,107 | 65.7% | 129,585 | 72.4% | 3,235 | 40.0% |
| Total | 242,009 | 100.0% | 179,000 | 100.0% | 8,087 | 100.0% |

Notes: [1]Income distribution based on CHAS data.

Source: Comprehensive Housing Affordability Strategy Databook, U.S. Census, 2000 ; Bay Area Economics, 2005.

## Table A-14: Income Distribution[1] by Race and Ethnicity, 2000 (continued)

| Asian (Non-Hisp.) | | Black (Non-Hisp.) | | Native Am. (Non-Hisp.) | |
|---|---|---|---|---|---|
| # HH's | % of HH's | # HH's | % of HH's | # HH's | % of HH's |
| 365 | 12.3% | 5,370 | 19.0% | 54 | 17.8% |
| 230 | 7.8% | 4,615 | 16.3% | 65 | 21.4% |
| 555 | 18.7% | 6,740 | 23.8% | 110 | 36.2% |
| 1,815 | 61.2% | 11,540 | 40.8% | 75 | 24.7% |
| 2,965 | 100.0% | 28,265 | 100.0% | 304 | 100.0% |

| Asian (Non-Hisp.) | | Black (Non-Hisp.) | | Native Am. (Non-Hisp.) | |
|---|---|---|---|---|---|
| # HH's | % of HH's | # HH's | % of HH's | # HH's | % of HH's |
| 484 | 7.3% | 7,825 | 17.4% | 68 | 10.2% |
| 455 | 6.8% | 6,820 | 15.2% | 95 | 14.2% |
| 885 | 13.3% | 10,530 | 23.5% | 175 | 26.2% |
| 4,830 | 72.6% | 19,709 | 43.9% | 329 | 49.3% |
| 6,654 | 100.0% | 44,884 | 100.0% | 667 | 100.0% |

Notes: [1]Income distribution based on CHAS data.

Source: Comprehensive Housing Affordability Strategy Databook, U.S. Census, 2000 ; Bay Area Economics, 2005.

## Table A-15: Units in Structure

| Units in Structure | Raleigh 2000 | Raleigh Percent of Total | Wake County 2000 | Wake County Percent of Total | Raleigh MSA 2,000 | Raleigh MSA Percent of Total |
|---|---|---|---|---|---|---|
| 1-unit detached | 56,597 | 46.9% | 158,185 | 61.1% | 300,240 | 60.6% |
| 1-unit attached | 11,052 | 9.2% | 16,217 | 6.3% | 24,941 | 5.0% |
| 2 to 4 units | 13,514 | 11.2% | 17,722 | 6.8% | 34,751 | 7.0% |
| 5 to 9 units | 14,807 | 12.3% | 20,802 | 8.0% | 33,413 | 6.7% |
| 10 or more units | 23,025 | 19.1% | 31,737 | 12.3% | 57,565 | 11.6% |
| Mobile home, trailer, or other | 1,688 | 1.4% | 14,290 | 5.5% | 44,702 | 9.0% |
| **Total Units** | 120,683 | 100.0% | 258,953 | 100.0% | 495,612 | 100.0% |

Source: 2000 U.S. Census; Bay Area Economics, 2005.

## Table A-16: Building Permits

| Years | Single Family | 2 Units | 3 - 4 Units | 5 + Units | Total Units |
|---|---|---|---|---|---|
| **Raleigh** | | | | | |
| 1996 | 2,239 | 62 | 8 | 1,259 | 3,568 |
| 1997 | 2,432 | 30 | 6 | 755 | 3,223 |
| 1998 | 2,929 | 44 | 4 | 1,158 | 4,135 |
| 1999 | 3,417 | 14 | 0 | 2,353 | 5,784 |
| 2000 | 3,140 | 8 | 12 | 3,484 | 6,644 |
| 2001 | 3,648 | 82 | 4 | 2,579 | 6,313 |
| 2002 | 3,807 | 172 | 85 | 312 | 4,376 |
| 2003 | 3,785 | 192 | 52 | 1,605 | 5,634 |
| 2004* | 4,297 | 92 | 11 | 1,439 | 5,839 |
| **Wake County** | | | | | |
| 1996 | 7,046 | 70 | 59 | 2,039 | 9,214 |
| 1997 | 7,697 | 44 | 33 | 2,284 | 10,058 |
| 1998 | 8,776 | 52 | 17 | 3,326 | 12,171 |
| 1999 | 8,951 | 24 | 214 | 4,338 | 13,527 |
| 2000 | 7,967 | 8 | 38 | 4,180 | 12,193 |
| 2001 | 8,444 | 82 | 15 | 2,897 | 11,438 |
| 2002 | 8,580 | 192 | 92 | 702 | 9,566 |
| 2003 | 8,385 | 206 | 70 | 1,970 | 10,631 |
| 2004* | 9,264 | 92 | 15 | 2,153 | 11,524 |
| **Raleigh-Durham-Chapel Hill MSA** | | | | | |
| 1996 | 10,874 | 122 | 117 | 3,087 | 14,200 |
| 1997 | 12,107 | 130 | 52 | 4,538 | 16,827 |
| 1998 | 14,111 | 198 | 47 | 4,700 | 19,056 |
| 1999 | 14,615 | 106 | 228 | 6,523 | 21,472 |
| 2000 | 12,503 | 118 | 85 | 5,847 | 18,553 |
| 2001 | 14,055 | 170 | 96 | 5,050 | 19,371 |
| 2002 | 13,911 | 308 | 152 | 1,787 | 16,158 |
| 2003 | 14,076 | 274 | 112 | 3,055 | 17,517 |
| 2004* | 14517 | 122 | 55 | 2975 | 17,669 |

Notes: * Data through November of 2004

Source: U.S. Census, 2000; Bay Area Economics, 2005

## Table A-17: Tenure by Plumbing Facilities, 2000

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 2000 | Percent of Total | 2000 | Percent of Total | 2000 | Percent of Total |
| Owner occupied | 58,032 | 51.6% | 159,456 | 65.9% | 297,470 | 64.5% |
| Complete plumbing facilities | 57,868 | 51.4% | 159,109 | 65.7% | 296,527 | 64.3% |
| Lacking complete plumbing facilities | 164 | 0.1% | 347 | 0.1% | 943 | 0.2% |
| Renter occupied | 54,525 | 48.4% | 82,584 | 34.1% | 163,627 | 35.5% |
| Complete plumbing facilities | 54,210 | 48.2% | 82,092 | 33.9% | 162,258 | 35.2% |
| Lacking complete plumbing facilities | 315 | 0.3% | 492 | 0.2% | 1,369 | 0.3% |
| Total | 112,557 | 100.0% | 242,040 | 100.0% | 461,097 | 100.0% |

Source: 2000 U.S. Census; Bay Area Economics, 2005

## Table A-18: Year Structure Built

| Year Structure Built | Raleigh 2000 | Raleigh Percent of Total | Wake County 2000 | Wake County Percent of Total | Raleigh MSA 2000 | Raleigh MSA Percent of Total |
|---|---|---|---|---|---|---|
| Built 1990 to March 2000 | 31,694 | 26.3% | 97,631 | 37.7% | 164,420 | 33.2% |
| Built 1980 to 1989 | 32,120 | 26.6% | 64,730 | 25.0% | 113,625 | 22.9% |
| Built 1970 to 1979 | 21,182 | 17.6% | 40,352 | 15.6% | 82,049 | 16.6% |
| Built 1960 to 1969 | 15,528 | 12.9% | 24,925 | 9.6% | 53,910 | 10.9% |
| Built 1950 to 1959 | 9,316 | 7.7% | 14,568 | 5.6% | 35,639 | 7.2% |
| Built 1940 to 1949 | 4,905 | 4.1% | 7,091 | 2.7% | 19,180 | 3.9% |
| Built 1939 or earlier | 5,938 | 4.9% | 9,656 | 3.7% | 26,789 | 5.4% |
| **Total** | 120,683 | 100.0% | 258,953 | 100.0% | 495,612 | 100.0% |

Source: 2000 U.S. Census; Bay Area Economics, 2005

## Table A-19: Vacancy Status

| Vacancy Status | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 2000 | Percent of Total | 2000 | Percent of Total | 2000 | Percent of Total |
| Occupied | 112,608 | 93.3% | 242,040 | 93.5% | 461,097 | 93.0% |
| Vacant | 8,091 | 6.7% | 16,913 | 6.5% | 34,515 | 7.0% |
| For rent | 4,907 | 4.1% | 7,997 | 3.1% | 14,271 | 2.9% |
| For sale only | 1,262 | 1.0% | 4,074 | 1.6% | 7,027 | 1.4% |
| Rented or sold, not occupied | 601 | 0.5% | 1,455 | 0.6% | 3,119 | 0.6% |
| For seasonal or occasional use | 426 | 0.4% | 958 | 0.4% | 2,904 | 0.6% |
| For migrant workers | 3 | 0.0% | 73 | 0.0% | 228 | 0.0% |
| Other | 892 | 0.7% | 2,356 | 0.9% | 6,966 | 1.4% |
| Total | 120,699 | 100.0% | 258,953 | 100.0% | 495,612 | 100.0% |

Source: 2000 U.S. Census; Bay Area Economics, 2005

## Table A-20: Low-Income Housing Tax Credit Developments in Raleigh

| Development Name | Development Address | Zip Code | Total Units |
|---|---|---|---|
| Autumn Trace | Trawick Road | 27604 | 34 |
| Carlton Place | 418 S. East Street | 27601 | 80 |
| Casa Grande/Melvid Court | 2448 Melvid Court | 27610 | 81 |
| Cliffs at Grove Barton | 4001 Doie Cope Road | 27613 | 96 |
| Gateway Park | Jamaica Drive | 27601 | 84 |
| Gregory Oaks | 200 East Lane Street | 27610 | 32 |
| Meadows at Brier Creek | 11700 Arnold Palmer Place | 27617 | 96 |
| Oaks at Brier Creek | 9930 Briar Oak Place | 27612 | 144 |
| Overlook at Simms Creek | 7600-7700 Capital Blvd | 27604 | 160 |
| Perry Hill Apartments | 7350 Louisburg Road | 27604 | 48 |
| Village of New Hope | 1710 New Hope Road | 27604 | 45 |
| Windsor Spring (seniors) | 6219 Hunter Street | 27612 | 39 |
| Hodges Creek Apartments | 5351 Old Wake Forest Road | 27609 | 50 |
| Elders Peak Apartments | 2917 Creech Road | 27610 | 48 |
| Lennox Chase | 2534 Lake Wheeler Road | 27603 | 36 |
| Berkeley Spring Apartments | 5500 Dixon Drive | 27609 | 36 |
| Chestnut Hills | 111 Millchest Place | 27511 | 50 |
| Halifax Senior Housing Center | 900 Haynes Street (RHA) | 27604 | 90 |
| Avonlea Apartments | 5005 Cape Breto | 27616 | 44 |
| Biltmore Hills Apartments | 2227 B Garner Road | 27610 | 50 |
| Biltmore Hills Apartments | Newcombe Street | 27610 | 50 |
| Capital Towers | 4812 Six Forks Road | 27609 | 90 |
| Capital Towers I | 4812 Six Forks Road | 27609 | 208 |
| Carolina Terrace | Sardis Road | 27603 | 28 |
| Chandlet Ridge Apartments | Highway 401 | 27603 | 228 |
| Devonshire Apartments | 2611 Torquay Crossing | 27616 | 176 |
| East Haven Apartments | Dowling Road | 27610 | 48 |
| Ellington Street | 708 Elington Street | 27601 | 8 |
| Fox Haven Apartments | 7021 Fox Haven Place | 27616 | 48 |
| Garden Spring Apartments | Kidd Road | 27610 | 33 |
| Glasscock Manor | 2120 Glascock | 27610 | 28 |
| Jedaholu | 609 Dorothea Drive | 27603 | 6 |
| Jeffries Ridge | 1713 Poole Road | 27610 | 32 |
| Madison Glen Apartments | 6840 Madison Ridge Way | 27613 | 120 |
| Marsh Creek Apts | 2400 Brentwood Drive | 27604 | 24 |
| Meadow Springs Apts | 35 Buck Jones Road | 27606 | 33 |
| Milburnie Road Apts | 2319 Milburnie Road | 27610 | 50 |
| Morgans Mill | 3036 Morgans Mill Court | 27610 | 7 |
| Murphey School (seniors) | 443 N. Person Street | 27601 | 50 |

**Table A-20: Low-Income Housing Tax Credit Developments in Raleigh (continued)**

| Development Name | Development Address | Zip Code | Total Units |
|---|---|---|---|
| Orchard Pointe | Lineberry Road | 27612 | 100 |
| Park View Apts | Garner & Peterson Roads | 27610 | 48 |
| Pine Hills | Raleigh & MLK Blvds | 27610 | 48 |
| Prairie Building | 113 Wilmington Street | 27601 | 11 |
| Ripley Station | 3030 Ripley Station Way | 27610 | 48 |
| River Haven Apts | 9300 Capital Blvd | 27616 | 72 |
| Sawyer Road Apts | 1412 Sawyer Road | 27610 | 4 |
| Shammah Winds Apts | 1407 Sawyer Road | 27610 | 32 |
| Sheldon Way | 508 Sheldon Street | 27610 | 12 |
| Skeeter Creek Apts | 609 Dorothea Drive | 27603 | 6 |
| The Arbors | 2611 Pine Village Road | 27615 | 50 |
| The Magnolias | Glascock Street | 27610 | 40 |
| Trinity Ridge Apartments | Trinity Road | 27607 | 48 |
| Tryon Grove Apts | 2500 Tryon Grove | 27603 | 48 |
| Walnut Ridge Apts | 1620 Sunnybrook Road | 27610 | 180 |
| Walnut Woods Apts | Middle Branch Road | 27610 | 36 |
| Washington Terrace Apts | 1951 Booker Drive | 27610 | 245 |
| Westridge Woods Apts | 306 Buck Jones Road | 27606 | 16 |
| Wynwood Place | Vardman Street | 27610 | 24 |
| Vintage Road | 1822-1839 Vintage Road | 27610 | 15 |
| Faversham Place | 2900-2948 Faversham Place | 27604 | 30 |
| Kaplan Drive | 4200-4266 Kaplan Drive | 27606 | 31 |
| Courtney Lane | 4709- 4719 Courtney Lane | 27616 | 10 |
| Talserwood Drive | 5410-5434 Talserwood Drive | 27610 | 17 |
| Carolina Avenue | 617, 619, 623 Carolina Avenue | 27606 | 3 |
| Farmlea Circle | 8101-8109 Farmlea Circle | 27616 | 6 |
| Merriweather | 8253-8265 Merriweather | 27604 | 7 |
| Berskshire Downs | 8100-8125 Farmlea Court | 27616 | 11 |
| Carter's Mill | Boone Trail, Seagrams Court | 27610 | 22 |
| Clay Street | 815 Clay Street | 27605 | 4 |
| Duplex | 219 Lord Anson | 27610 | 2 |
| Duplex | no address given | 27610 | 2 |
| Ellington Street | 708 Ellington Street | 27601 | 8 |
| Fisher Heights | 209 Lord Anson | 27610 | 1 |
| Fox Hollow | Fox Hollow, Foxtail Ct, Ferret Ct | 27610 | 51 |
| Londonderry | 3613-3617 Plumridge | 27613 | 4 |
| Park Glen | 813-833 Dalewood Drive | 27610 | 10 |
| Haywood | 401 S Haywood Street | 27601 | 1 |

**Table A-20: Low-Income Housing Tax Credit Developments in Raleigh (continued)**

| Development Name | Development Address | Zip Code | Total Units |
|---|---|---|---|
| River Knoll | Bringle Court | 27610 | 7 |
| Alston Street | 429 Alston Street | 27601 | 1 |
| Lord Anson | 217 Lord Anson | 27610 | 1 |
| Total | | | 3922 |

Source: BAE as amended by Raleigh Community Development Department

## Table A-21: Contract Rent, 2000

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 2000 | Percent of Total | 2000 | Percent of Total | 2000 | Percent of Total |
| No cash rent | 1,030 | 1.9% | 2,449 | 3.0% | 6,524 | 4.0% |
| Less than $250 | 2,739 | 5.0% | 4,203 | 5.1% | 12,875 | 8.0% |
| $250 to $399 | 3,519 | 6.5% | 6,118 | 7.4% | 19,855 | 12.3% |
| $400 to $499 | 5,816 | 10.7% | 8,998 | 11.0% | 21,751 | 13.4% |
| $500 to $599 | 10,861 | 19.9% | 14,484 | 17.6% | 26,377 | 16.3% |
| $600 to $750 | 17,631 | 32.4% | 24,790 | 30.2% | 39,590 | 24.5% |
| $750 to $999 | 9,800 | 18.0% | 15,753 | 19.2% | 25,645 | 15.9% |
| $1,000 or more | 3,091 | 5.7% | 5,335 | 6.5% | 9,152 | 5.7% |
| Total cash rent | 53,457 | 98.1% | 79,681 | 97.0% | 155,245 | 96.0% |
| Total | 54,487 | 100% | 82,130 | 100% | 161,769 | 100% |
| Median Contract Rent | $627 | | $631 | | $588 | |

Source: 2000 U.S. Census; Bay Area Economics, 2005

## Table A-22: Gross Rent by Percent of Household Income

| | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | 2000 | Percent of Total | 2000 | Percent of Total | 2000 | Percent of Total |
| Less than 10 percent | 2,391 | 4.8% | 4,050 | 5.3% | 8,541 | 5.7% |
| 10 to 14 percent | 5,554 | 11.1% | 9,143 | 12.1% | 18,166 | 12.1% |
| 15 to 19 percent | 8,540 | 17.0% | 13,327 | 17.6% | 24,140 | 16.1% |
| 20 to 24 percent | 8,444 | 16.8% | 12,501 | 16.5% | 22,729 | 15.2% |
| 25 to 29 percent | 6,365 | 12.7% | 9,406 | 12.4% | 17,177 | 11.5% |
| 30 to 49 percent | 7,390 | 14.7% | 10,406 | 13.7% | 19,726 | 13.2% |
| 50 percent or more | 9,314 | 18.6% | 12,942 | 17.1% | 28,587 | 19.1% |
| Not computed | 2,158 | 4.3% | 3,967 | 5.2% | 10,554 | 7.1% |
| Total: | 50,156 | 100.0% | 75,742 | 100.0% | 149,620 | 100.0% |

Source: US Census, 2000; Bay Area Economics, 2005

## Table A-23 (HUD Table 2A): Housing Assistance Needs of Raleigh, 2000

| Households by Type, Income, and Housing Problem | Renters: Elderly HHs | Renters: Small Related (2 to 4) | Renters: Large Related (5+) | Renters: All Other Households | Renters: Total Renters | Owners: Elderly | Owners: All Other Owners | Owners: Total Owners | Total Households |
|---|---|---|---|---|---|---|---|---|---|
| **Extremely Low & Very Low Income** | **2,647** | **5,859** | **1,344** | **9,152** | **19,002** | **2,383** | **3,125** | **5,508** | **24,510** |
| **Extremely Low Income (0% to 30% AMI)** | **1,764** | **2,985** | **660** | **4,934** | **10,343** | **1,005** | **1,333** | **2,338** | **12,681** |
| Percent with Housing Problems | 65% | 79% | 90% | 81% | 78% | 72% | 83% | 78% | 78% |
| Percent with Cost Burden > 30% | 65% | 73% | 77% | 81% | 76% | 72% | 82% | 78% | 76% |
| Percent with Cost Burden > 50% | 43% | 60% | 47% | 73% | 62% | 48% | 74% | 63% | 63% |
| **Very Low Income (31% to 50% AMI)** | **883** | **2,874** | **684** | **4,218** | **8,659** | **1,378** | **1,792** | **3,170** | **11,829** |
| Percent with Housing Problems | 76% | 77% | 86% | 87% | 82% | 35% | 83% | 62% | 77% |
| Percent with Cost Burden > 30% | 76% | 75% | 50% | 85% | 78% | 35% | 80% | 60% | 73% |
| Percent with Cost Burden > 50% | 34% | 18% | 9% | 32% | 26% | 13% | 48% | 33% | 28% |
| *Very Low Income (31% to 40% AMI)* | **528** | **1,814** | **336** | **1,811** | **4,489** | **654** | **841** | **1,495** | **5,984** |
| Percent with Cost Burden > 30% | 90% | 83% | 85% | 92% | 88% | 36% | 86% | 64% | 82% |
| Percent with Cost Burden > 50% | 43% | 26% | 10% | 54% | 38% | 3% | 66% | 38% | 38% |
| *Very Low Income (41% to 50% AMI)* | **355** | **1,060** | **348** | **2,407** | **4,170** | **724** | **951** | **1,675** | **5,845** |
| Percent with Cost Burden > 30% | 55% | 61% | 87% | 81% | 74% | 33% | 75% | 57% | 69% |
| Percent with Cost Burden > 50% | 20% | 5% | 0% | 15% | 12% | 23% | 31% | 28% | 16% |
| **Low Income (51% to 80% AMI)** | **774** | **4,230** | **920** | **7,875** | **13,799** | **2,269** | **5,298** | **7,567** | **21,366** |
| Percent with Housing Problems | 48% | 38% | 74% | 40% | 42% | 22% | 59% | 48% | 44% |
| Percent with Cost Burden > 30% | 48% | 30% | 13% | 38% | 35% | 22% | 56% | 46% | 39% |
| Percent with Cost Burden > 50% | 19% | 1% | 0% | 2% | 2% | 3% | 12% | 10% | 5% |
| *Low Income (31% to 40% AMI)* | **232** | **1,730** | **243** | **2,742** | **4,947** | **957** | **1,450** | **2,407** | **7,354** |
| Percent with Cost Burden > 30% | 72% | 42% | 0% | 71% | 57% | 26% | 71% | 53% | 56% |
| Percent with Cost Burden > 50% | 32% | 1% | 0% | 2% | 3% | 3% | 21% | 14% | 7% |

## Table A-23 (HUD Table 2A): Housing Assistance Needs of Raleigh, 2000 (continued)

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Moderate to Upper Income (80% and greater AMI)** | **1,080** | **7,230** | **1,110** | **12,315** | **21,735** | **7,333** | **37,604** | **44,937** | **66,672** |
| Percent with Housing Problems | 24% | 8% | 56% | 4% | 9% | 6% | 12% | 11% | 10% |
| Percent with Cost Burden > 30% | 21% | 1% | 4% | 2% | 3% | 6% | 10% | 10% | 8% |
| Percent with Cost Burden > 50% | 5% | 0% | 0% | 0% | 0% | 1% | 1% | 1% | 1% |
| **Total Households[1]** | **4,501** | **17,319** | **3,374** | **29,342** | **54,536** | **11,985** | **46,027** | **58,012** | **106,703** |
| Percent with Housing Problems | 54% | 39% | 74% | 39% | 42% | 18% | 22% | 21% | 31% |

Note: [1]Includes all income groups - including those above 80% of AMI.

[2]Totals and percentages in these categories are proportional data derived from Census household records.

Source: Comprehensive Housing Affordability Strategy Datebook; Bay Area Economics, 2005

## Table A-24: Raleigh Residential Sales by Price Range and Unit Type, 2003 & 2004

| | All Units | | | | Single Family | | | |
|---|---|---|---|---|---|---|---|---|
| | 2003 | Percent of Total | 2004 | Percent of Total | 2003 | Percent of Total | 2004 | Percent of Total |
| $25,000 to $100,000 | 764 | 8.8% | 753 | 8.5% | 252 | 4.3% | 267 | 4.4% |
| $100,001 to $150,000 | 3,055 | 35.3% | 2,811 | 31.8% | 1,780 | 30.2% | 1,575 | 25.8% |
| $150,001 to $200,000 | 2,165 | 25.0% | 2,312 | 26.1% | 1,651 | 28.0% | 1,768 | 29.0% |
| $200,001 to $250,000 | 977 | 11.3% | 1,022 | 11.5% | 771 | 13.1% | 790 | 13.0% |
| $250,001 to $300,000 | 623 | 7.2% | 626 | 7.1% | 506 | 8.6% | 524 | 8.6% |
| $300,001 to $350,000 | 323 | 3.7% | 403 | 4.6% | 263 | 4.5% | 339 | 5.6% |
| $350,001 to $400,000 | 264 | 3.0% | 294 | 3.3% | 224 | 3.8% | 244 | 4.0% |
| $400,000 or more | 488 | 5.6% | 628 | 7.1% | 450 | 7.6% | 586 | 9.6% |
| | | | | | | | | 0.0% |
| Total | 8,659 | 100% | 8,849 | 100% | 5,897 | 100% | 6,093 | 100% |
| Median House Value | $160,000 | | $166,000 | | $174,000 | | $180,000 | |

## Table A-24: Raleigh Residential Sales by Price Range and Unit Type, 2003 & 2004 (continued)

| | Townhouse | | | | Condominium | | | |
|---|---|---|---|---|---|---|---|---|
| | 2003 | Percent of Total | 2004 | Percent of Total | 2003 | Percent of Total | 2004 | Percent of Total |
| $25,000 to $100,000 | 250 | 12.9% | 244 | 12.2% | 262 | 32.1% | 242 | 32.3% |
| $100,001 to $150,000 | 881 | 45.3% | 943 | 47.0% | 394 | 48.2% | 293 | 39.1% |
| $150,001 to $200,000 | 442 | 22.7% | 444 | 22.1% | 72 | 8.8% | 100 | 13.4% |
| $200,001 to $250,000 | 174 | 8.9% | 178 | 8.9% | 32 | 3.9% | 54 | 7.2% |
| $250,001 to $300,000 | 98 | 5.0% | 77 | 3.8% | 19 | 2.3% | 25 | 3.3% |
| $300,001 to $350,000 | 46 | 2.4% | 49 | 2.4% | 14 | 1.7% | 15 | 2.0% |
| $350,001 to $400,000 | 29 | 1.5% | 47 | 2.3% | 11 | 1.3% | 3 | 0.4% |
| $400,000 or more | 25 | 1.3% | 25 | 1.2% | 13 | 1.6% | 17 | 2.3% |
| Total | 1,945 | 100% | 2,007 | 100% | 817 | 100% | 749 | 100% |
| Median House Value | $134,500 | | $136,500 | | $119,000 | | $122,500 | |

Note: Data are reflective of units located physically within the corporate limits of the City of Raleigh, regardless of US Postal Service designations

Source: Wake County Revenue Department; City of Raleigh Community Development Department; Bay Area Economics, 2005

## Table A-25: Raleigh Median Residential Sales by Zip Code, 2004

| | | | | Number of Sales | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Zip Code | Location | Median Sales Price (MSP) | Total Sales | $10,000 - $100,000 | $100,001 - $125,000 | $125,001 - $150,000 | $150,001 - $200,000 | $200,001 - $250,000 | Over $250,000 |
| 27601 | Downtown | $128,000 | 75 | 26 | 8 | 11 | 8 | 6 | 16 |
| 27610 | Southeast Raleigh | $130,000 | 985 | 168 | 283 | 332 | 181 | 20 | 1 |
| 27603 | Boylan Heights, Dorothea Dix | $140,000 | 343 | 54 | 67 | 80 | 86 | 29 | 27 |
| 27604 | Oakwood, Capital Blvd | $136,500 | 922 | 114 | 203 | 268 | 210 | 74 | 53 |
| 27605 | St. Mary's, Fletcher Park | $152,000 | 142 | 19 | 18 | 31 | 42 | 10 | 22 |
| 27608 | Five Points | $310,000 | 283 | 0 | 3 | 14 | 52 | 28 | 186 |
| 27529 | North of Garner | $144,000 | 13 | 0 | 2 | 8 | 1 | 2 | 0 |
| 27606 | Lake Johnson, Centennial | $122,000 | 454 | 133 | 107 | 44 | 121 | 35 | 14 |
| 27607 | NC State, Meredith | $233,000 | 202 | 5 | 7 | 12 | 48 | 41 | 89 |
| 27612 | Crabtree Valley | $208,000 | 671 | 56 | 35 | 53 | 179 | 118 | 230 |
| 27613 | Lake Lynn | $176,000 | 1,066 | 13 | 73 | 241 | 317 | 177 | 245 |
| 27615 | Ravenscroft School | $188,500 | 904 | 74 | 86 | 83 | 258 | 149 | 254 |
| 27617 | North of RDU Airport | $257,000 | 320 | 0 | 7 | 18 | 81 | 49 | 165 |
| 27609 | North Hills | $160,000 | 641 | 60 | 92 | 126 | 163 | 78 | 122 |
| 27616 | E. Millbrook, Capital Blvd | $156,000 | 872 | 29 | 176 | 194 | 353 | 79 | 41 |
| 27614 | Falls Lake | $265,000 | 727 | 7 | 18 | 54 | 152 | 104 | 392 |
| | **Total** | | **8,620** | **758** | **1,185** | **1,569** | **2,252** | **999** | **1,857** |

Note: Data are reflective of units located physically within the corporate limits of the City of Raleigh, regardless of US Postal Service designations

Source: Wake County Revenue Department; City of Raleigh Community Development Department; Bay Area Economics, 2005

## Table A-26: Raleigh Median Residential Sales by Zip Code and Unit Type, 2004

| Zip Code | Location | Median Sales Prices: Single Family Detached Total | Single Family Detached New | Single Family Detached Resale | Townhouses Total | Townhouses New | Townhouses Resale | Condominiums Total | Condominiums New | Condominiums Resale |
|---|---|---|---|---|---|---|---|---|---|---|
| 27601 | Downtown | $107,000 | $126,000 | $90,500 | n/a | n/a | n/a | $160,750 | n/a | $160,750 |
| 27610 | Southeast Raleigh | $131,500 | $141,000 | $115,500 | $101,500 | $108,000 | $95,500 | $49,000 | $143,000 | $49,000 |
| 27603 | Boylan Heights, Dix Property | $146,250 | $187,500 | $146,000 | $131,750 | n/a | $131,750 | $137,750 | $141,000 | $126,000 |
| 27604 | Oakwood, Capital Blvd | $148,000 | $194,250 | $140,000 | $116,250 | $118,500 | $115,500 | $81,000 | $86,000 | $80,000 |
| 27605 | St. Mary's, Fletcher Park | $263,000 | n/a | $263,000 | $464,000 | n/a | $464,000 | $144,000 | n/a | $144,000 |
| 27608 | Five Points | $300,000 | $516,750 | $299,000 | $142,500 | n/a | $142,500 | $590,000 | n/a | $590,000 |
| 27529 | North of Garner | $141,000 | $129,750 | $144,000 | $208,500 | n/a | $208,500 | n/a | n/a | n/a |
| 27606 | Lake Johnson, Centennial | $165,000 | $281,750 | $162,000 | $118,500 | $166,250 | $106,500 | $90,000 | $232,500 | $85,000 |
| 27607 | NC State, Meredith | $245,000 | n/a | $245,000 | $161,000 | n/a | $161,000 | $259,750 | $259,750 | n/a |
| 27612 | Crabtree Valley | $240,000 | $257,000 | $240,000 | $168,500 | $246,000 | $160,000 | $118,500 | $210,000 | $103,000 |
| 27613 | Lake Lynn | $226,750 | $298,000 | $205,000 | $147,000 | $147,000 | $147,000 | $118,000 | n/a | $118,000 |
| 27615 | Ravenscroft School | $214,000 | $624,750 | $213,500 | $131,250 | $306,000 | $127,000 | $122,500 | $186,000 | $117,000 |
| 27617 | North of RDU Airport | $231,000 | $444,500 | $197,500 | $324,250 | $257,000 | $339,000 | n/a | n/a | n/a |
| 27609 | North Hills | $190,000 | $631,500 | $189,000 | $117,000 | $134,000 | $114,000 | $108,000 | n/a | $108,000 |
| 27616 | E. Millbrook, Capital Blvd | $159,000 | $168,000 | $152,500 | $118,000 | $117,000 | $118,250 | $120,500 | $120,250 | $120,250 |
| 27614 | Falls Lake | $312,000 | $330,500 | $301,500 | $176,000 | $188,500 | $169,000 | $124,500 | $130,000 | $123,000 |

Note: Data are reflective of units located physically within the corporate limits of the City of Raleigh, regardless of US Postal Service designations

Source: Wake County Revenue Department; City of Raleigh Community Development Department; Bay Area Economics, 2005

## Table A-27: Wake County Subprime Lenders, 2003

| Subprime Lender | Originations | Loan Amount (in thousands) | Percent of County Total |
|---|---|---|---|
| GREEN POINT MORTGAGE FUNDING | 411 | $ 87,525.00 | 10.8% |
| FIRST FRANKLIN FNCL CO | 408 | $ 52,468.00 | 10.7% |
| OPTION ONE MORTGAGE CORP. | 276 | $ 32,637.00 | 7.2% |
| FREMONT INV & LOAN | 190 | $ 24,773.00 | 5.0% |
| EQUITY ONE, INC | 186 | $ 23,600.00 | 4.9% |
| DECISION ONE MORTGAGE | 155 | $ 23,902.00 | 4.1% |
| NOVASTAR MORTGAGE INC | 145 | $ 21,794.00 | 3.8% |
| NEW CENTURY MORTGAGE CORP. | 143 | $ 23,968.00 | 3.7% |
| MORTGAGE LENDERS NETWORK USA | 135 | $ 16,589.00 | 3.5% |
| NEW FREEDOM MORTGAGE CORP | 124 | $ 14,968.00 | 3.2% |
| CENTEX HOME EQUITY COMPANY, LL | 114 | $ 14,247.00 | 3.0% |
| HOUSEHOLD FINANCE CORPORATION | 100 | $ 9,734.00 | 2.6% |
| KEY BK USA NA | 82 | $ 6,460.00 | 2.1% |
| SOUTHSTAR FUNDING, LLC. | 67 | $ 11,611.00 | 1.8% |
| CIT GROUP/CONSUMER FINANCE INC | 66 | $ 8,794.00 | 1.7% |
| FIRST GREENSBORO HOME EQUITY | 63 | $ 8,502.00 | 1.6% |
| EQUIFIRST CORP | 57 | $ 8,179.00 | 1.5% |
| ACCREDITED HOME LENDERS, INC. | 56 | $ 7,363.00 | 1.5% |
| FIRST NLC FINANCIAL SERVICES | 56 | $ 5,192.00 | 1.5% |
| CONCORDE ACCEPTANCE CORPORATIO | 53 | $ 5,965.00 | 1.4% |
| CITIFINANCIAL SERVICES INC-DE | 51 | $ 5,476.00 | 1.3% |
| WMC MORTGAGE CORP. | 48 | $ 6,210.00 | 1.3% |
| LONG BEACH MORTGAGE CO. | 47 | $ 7,583.00 | 1.2% |
| CITIFINANCIAL MORTGAGE | 46 | $ 5,746.00 | 1.2% |
| DELTA FUNDING CORPORATION | 45 | $ 6,328.00 | 1.2% |
| ENCORE CREDIT CORP. | 45 | $ 5,599.00 | 1.2% |
| ARGENT MORTGAGE COMPANY | 42 | $ 5,655.00 | 1.1% |
| FULL SPECTRUM LENDING | 41 | $ 5,639.00 | 1.1% |
| AMERIQUEST MORTGAGE COMPANY | 40 | $ 6,119.00 | 1.0% |
| WELLS FARGO FNCL NC 1 | 40 | $ 5,695.00 | 1.0% |
| NOVASTAR HOME MORTGAGE | 34 | $ 5,696.00 | 0.9% |
| AAMES FUNDING CORPORATION | 33 | $ 3,907.00 | 0.9% |
| CITICORP TR BK FSB | 26 | $ 3,464.00 | 0.7% |
| AMERICA'S MONEYLINE | 25 | $ 2,991.00 | 0.7% |
| HOMESTAR MORTGAGE SVCS, LLC | 25 | $ 4,054.00 | 0.7% |
| AEGIS FUNDING CORPORATION | 23 | $ 2,503.00 | 0.6% |
| APPROVED FSB | 23 | $ 3,623.00 | 0.6% |
| BENEFICIAL | 22 | $ 3,015.00 | 0.6% |
| ADVANCED FINANCIAL SERVICES, I | 21 | $ 2,069.00 | 0.5% |
| AMERICAN BUSINESS FINANCIAL | 21 | $ 1,682.00 | 0.5% |
| MBNA AMERICA DE NA | 20 | $ 1,950.00 | 0.5% |
| AURORA LOAN SERVICES | 18 | $ 1,980.00 | 0.5% |
| AMERUS HOME LENDING, INC | 17 | $ 2,427.00 | 0.4% |

## Table A-27: Wake County Subprime Lenders, 2003 (continued)

| Subprime Lender | Originations | Loan Amount (in thousands) | Percent of County Total |
|---|---|---|---|
| GMFS, LLC | 17 | $ 3,012.00 | 0.4% |
| FIELDSTONE MORTGAGE COMPANY | 15 | $ 2,154.00 | 0.4% |
| AIG FSB | 13 | $ 2,166.00 | 0.3% |
| SEBRING CAPITAL PARTNERS, L.P. | 12 | $ 1,606.00 | 0.3% |
| FINANCE AMERICA, LLC | 11 | $ 1,892.00 | 0.3% |
| LENDMARK FINANCIAL SERVICES | 11 | $ 1,060.00 | 0.3% |
| AEGIS LENDING CORPORATION | 10 | $ 1,109.00 | 0.3% |
| AMERITRUST MORTGAGE COMPANY LL | 9 | $ 1,402.00 | 0.2% |
| HEARTHSIDE LENDING CORP. | 9 | $ 1,498.00 | 0.2% |
| NATION ONE MORTGAGE CO.,INC | 9 | $ 893.00 | 0.2% |
| GREATER ACCEPTANCE MORTGAGE CO | 8 | $ 989.00 | 0.2% |
| WILMINGTON FINANCE, INC. | 8 | $ 1,416.00 | 0.2% |
| BNC MORTGAGE | 4 | $ 720.00 | 0.1% |
| FEDERAL MEDICAL BK FSB | 4 | $ 605.00 | 0.1% |
| JLM DIRECT FUNDING, LTD. | 4 | $ 703.00 | 0.1% |
| LENDMARK MORTGAGE AND FINANCE | 4 | $ 226.00 | 0.1% |
| PINNACLE DIRECT FUNDING CORPOR | 4 | $ 467.00 | 0.1% |
| PROVIDENT BK | 4 | $ 931.00 | 0.1% |
| CHAPEL MORTGAGE | 3 | $ 244.00 | 0.1% |
| HOMEOWNERS LOAN CORP | 3 | $ 334.00 | 0.1% |
| SPECIALTY MORTGAGE CORPORATION | 3 | $ 291.00 | 0.1% |
| AMERICAN HOME LOANS | 2 | $ 396.00 | 0.1% |
| BRIDGE CAPITAL CORPORATION | 2 | $ 284.00 | 0.1% |
| FIRST CONSOLIDATED MORTGAGE | 2 | $ 120.00 | 0.1% |
| MOREQUITY, INC. (NV) | 2 | $ 186.00 | 0.1% |
| PEOPLE'S CHOICE HOME LOAN, INC | 2 | $ 251.00 | 0.1% |
| PLATINUM CAPITAL GROUP | 2 | $ 291.00 | 0.1% |
| SERVICE FIRST MORTGAGE, L.C. | 2 | $ 206.00 | 0.1% |
| AMERICAN MORTGAGE EXCHANGE, IN | 1 | $ 270.00 | 0.0% |
| EXPRESS CAPITAL LENDING | 1 | $ 272.00 | 0.0% |
| SAXON MORTGAGE | 1 | $ 79.00 | 0.0% |
| **TOTAL** | **3,822** | **$533,755** | **100%** |

Source: 2003 HMDA data; 2003 HUD Subprime and Manufactured Lender list; Bay Area Economics, 2005.

## Table A-28: Income Distribution for Elderly Households by Tenure, 2000

| Raleigh | Percent of All HHs | | Percent of Elderly HHs | | Percent of Elderly HHs w/ Housing Problems[1] | |
|---|---|---|---|---|---|---|
| | Renter HHs | Owner HHs | Renter HHs | Owner HHs | Renter HHs | Owner HHs |
| Extremely Low Income (0% to 30%) | 6.2% | 7.6% | 3.2% | 0.9% | 64.9% | 72.1% |
| Very Low Income (31% to 50%) | 5.2% | 7.1% | 1.6% | 1.2% | 75.7% | 35.4% |
| Low Income (51% to 80%) | 8.3% | 12.8% | 1.4% | 2.0% | 47.7% | 21.8% |
| (Above 80%) | 13.0% | 39.9% | 2.0% | 6.5% | 24.1% | 5.9% |
| Total | 32.6% | 67.4% | 8.3% | 10.6% | | |

| Wake County | Percent of All HHs | | Percent of Elderly HHs | | Percent of Elderly HHs w/ Housing Problems[1] | |
|---|---|---|---|---|---|---|
| | Renter HHs | Owner HHs | Renter HHs | Owner HHs | Renter HHs | Owner HHs |
| Extremely Low Income (0% to 30%) | 4.5% | 6.6% | 3.3% | 1.2% | 60.0% | 68.0% |
| Very Low Income (31% to 50%) | 3.9% | 6.4% | 1.6% | 1.3% | 68.2% | 32.8% |
| Low Income (51% to 80%) | 6.3% | 12.6% | 1.4% | 2.0% | 46.4% | 22.4% |
| (Above 80%) | 10.8% | 49.0% | 2.0% | 5.9% | 20.1% | 6.7% |
| Total | 25.4% | 74.6% | 8.4% | 10.6% | | |

Note: [1]Housing problems include cost burden greater than 30% of income, overcrowding and/or without complete kitchen or plumbing facilities.

Source: Comprehensive Housing Affordability Strategy Databook; Bay Area Economics, 2005.

## Table A-29: Physical Disability Status by Age, 2000

| Age | Raleigh Number of People | Raleigh Percent of Total | Wake County Number of People | Wake County Percent of Total | Raleigh MSA Number of People | Raleigh MSA Percent of Total |
|---|---|---|---|---|---|---|
| 5 to 15 | 210 | 1.5% | 633 | 2.1% | 1,436 | 2.1% |
| 16 to 64 | 7,761 | 55.7% | 16,912 | 56.8% | 39,078 | 55.9% |
| 65 and over | 5,970 | 42.8% | 12,204 | 41.0% | 29,372 | 42.0% |
| **Total** | **13,941** | **100.0%** | **29,749** | **100.0%** | **69,886** | **100.0%** |
| Percent of Total Population | **5%** | | **5%** | | **6%** | |

Note: the U.S. Census Bureau defines physical disability as a condition that sunstantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying.

Source: U.S. Census, 2000; Bay Area Economics, 2005

## Table A-30: Mental Disability Status by Age, 2000

| Age | Raleigh | | Wake County | | Raleigh MSA | |
|---|---|---|---|---|---|---|
| | Number of People | Percent of Total | Number of People | Percent of Total | Number of People | Percent of Total |
| 5 to 15 | 1,579 | 17.2% | 4,210 | 21.4% | 8,253 | 19.1% |
| 16 to 64 | 5,104 | 55.5% | 10,624 | 53.9% | 23,092 | 53.3% |
| 65 and over | 2,511 | 27.3% | 4,883 | 24.8% | 11,964 | 27.6% |
| **Total** | **9,194** | **100.0%** | **19,717** | **100.0%** | **43,309** | **100.0%** |
| Percent of Total Population | **3%** | | **3%** | | **4%** | |

Note: the U.S. Census Bureau defines mental disability as a condition that sunstantially limits with mental activities, such as difficulty learning, remembering, or concentrating.

Source: U.S. Census, 2000; Bay Area Economics, 2005

## Table A-31: Raleigh Redevelopment Area Population Characteristics

| Data Analysis Area | Redevelopment Area | Population 2004[3] | Percent of Total | 1990 | 2000 | Annual Growth '90-'00 | Median Age | Median Household Size |
|---|---|---|---|---|---|---|---|---|
| 1 | College Park/Idlewild/New Bern/Edenton | 1,201 | 32.5% | 4,227 | 3,823 | -1% | 37.5 | 2.36 |
| 2 | Thompson Hunter | 1,164 | 31.5% | 2,028 | 2,011 | 0% | 32.2 | 2.42 |
| 3 | Downtown East | 204 | 5.5% | 1,655 | 1,847 | 1% | 28.8 | 1.00 |
| 4 | South Park | 762 | 20.6% | 3,725 | 3,708 | 0% | 33.7 | 2.42 |
| 5 | Garner Road | 233 | 6.3% | 1,100 | 1,236 | 1% | 25.3 | 2.36 |
| 6 | Saunders North | 124 | 3.4% | 709 | 1,553 | 12% | 31.5 | 3.00 |
| 7 | Jamaica Drive | 6 | 0.2% | 1,989 | 2,482 | 2% | 34.5 | 1.6 |
| | | **3,694** | **100%** | **15,437** | **8,802** | **-4%** | | |

[1] Each data analysis area was drawn to include specified redevelopment area(s), while attempting to maintain correlation with census tracts and block groups.

[2] 1990 Population data was only available at the block group level. Population change from 90-00 is derived using 1990 and 2000 block group level data.

[3] 2004 Population data derived using GIS residential unit totals multiplied by 2000 census data for average persons/household and occupancy rate for applicable census tract.

Source: City of Raleigh Planning Department; Bay Area Economics, 2005

## Table A-32: Raleigh Redevelopment Area Income Characteristics

| Data Analysis Area[1] | Redevelopment Area | 1990 Income[2] Median Household Income | Median Family Income | Poverty Rate |
|---|---|---|---|---|
| 1 | College Park/Idlewild/New Bern/Edenton | $ 20,817 | $ 27,667 | 24.9% |
| 2 | Thompson Hunter | $ 22,500 | $ 22,130 | 35.5% |
| 3 | Downtown East | $ 37,700 | $ 55,000 | 26.9% |
| 4 | South Park | $ 11,293 | $ 19,722 | 56.2% |
| 5 | Garner Road | $ 23,684 | $ 26,500 | 28.2% |
| 6 | Saunders North | $ 39,471 | $ 51,905 | 15.3% |
| 7 | Jamaica Drive | $ 24,726 | $ 27,450 | 41.8% |

[1]Each data analysis area was drawn to include specified redevelopment area(s), while attempting to maintain correlation with census tracts and block groups.

[2]Data for income and poverty rate are not available specific to the redevelopment analysis areas and therefore data in these columns are for a larger geographic area.

Source: City of Raleigh Planning Department; Bay Area Economics, 2005

## Table A-33: Raleigh Redevelopment Area Residential Characteristics[1]

| Data Analysis Area | Redevelopment Area | Residential Units: Total | Single Family | Percent Single Family | Multi-Family | Percent Multi-Family | Percent Renter-Occupied | Average Square Footage | Average Year Built |
|---|---|---|---|---|---|---|---|---|---|
| 1 | College Park/Idlewild/New Bern/Edenton | 613 | 478 | 78.0% | 135 | 22.0% | 22.0% | 1,366 | 1942 |
| 2 | Thompson Hunter | 522 | 456 | 87.4% | 66 | 12.6% | 12.6% | 1,540 | 1946 |
| 3 | Downtown East | 229 | 60 | 26.2% | 169 | 73.8% | 73.8% | 1,858 | 1960 |
| 4 | South Park | 427 | 345 | 80.8% | 82 | 19.2% | 19.2% | 1,398 | 1946 |
| 5 | Garner Road | 140 | 96 | 68.6% | 44 | 31.4% | 31.4% | 2,047 | 1962 |
| 6 | Saunders North | 53 | 46 | 86.8% | 7 | 13.2% | 13.2% | 1,281 | 1926 |
| 7 | Jamaica Drive | 6 | 6 | 100% | 0 | 0.0% | 0.0% | 919 | 1939 |
| | | **1,990** | **1,487** | | **503** | | | | |

[1]Data compiled using attribute data in the Wake County GIS parcel layer

[2]Each data analysis area was drawn to include specified redevelopment area(s), while attempting to maintain correlation with census tracts and block groups.

Source: City of Raleigh Planning Department; Bay Area Economics, 2005

*Appendix B:*
*Maps of Minority Concentrations*
*2002 & 2030 Wake County Growth Maps*